

DUN & BRADSTREET MONTHLY REVIEW

M A Y, 1934

The Status of the New F.F.M.C. Bonds

Three Important Sales Ratios

Industrial Surveys:

Paint and Wallpaper Paper

Published by
DUN & BRADSTREET, INC.
NEW YORK CITY

Fifty cents a Copy

NEW-YORK AND NEW-HAVEN RAILROAD.



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DARIEN, NORWALK, WESTPORT, SOUTHPORT, FAIRFIELD, BRIDGEPORT,
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MAY 19, 1849.

R. B. MASON, Supt.



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290 Broadway

New York City

ESTABLISHED 1841

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J. A. D'ANDREA, Statistician

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THE ACTIVITY BAROMETER



MAY 2, 1934

67.9

APRIL 4, 1934

65.3

Starting the month at 65.3, the Business Activity Barometer kept constantly above that figure during April, despite the dip to 65.7 for the week ended April 18. From that position it rose to close the month at 67.9, which compared with 51.1 for the corresponding week of 1933, or an increase of 32.9 per cent. The barometer now is only about 6 per cent below the high point of 1933, which was touched in August.

Week	Barometer
May 3, 1933.....	51.1
April 4, 1934.....	65.3
April 11, 1934.....	66.3
April 28, 1934.....	65.7
April 25, 1934.....	67.6
May 2, 1934.....	67.9

THIS ISSUE

The appearance of the first issue of the new bonds authorized under the Federal Farm Mortgage Act of 1934 marks another milestone in the agricultural credit history of this country. In his article, "The Status of the New F.F.M.C. Bonds," W. Forbes Morgan, Deputy-Governor, Farm Credit Administration, outlines the methods of marketing these bonds, and points out the benefits accruing to farmers from this procedure of refinancing debts on a long-term basis at a low rate of interest. Land banks now are lending more than \$3,000,000 of these bonds daily.

Completing the trilogy of his original studies on Ratios, Roy A. Foulke has devoted his present article to "Three Important Sales Ratios," in which he emphasizes the necessity for constant vigilance in the comparisons of net sales to working capital and tangible net worth, particularly during a period when sales are rising rapidly. In his previous articles, Mr. Foulke took up "Three Important Balance Sheet Ratios," and "Three Important Inventory Ratios."

The abrupt curtailment in the number of business failures in the United States in 1933 has been continued thus far in 1934, the analysis of the April insolventy record revealing a decline of 45.2 per cent from the April, 1933, figures. With the exception of February, this year, the total of 1,052 was the smallest for any month since January, 1920.



THE STATUS OF THE NEW F.F.M.C. BONDS

by W. FORBES MORGAN

Deputy Governor, Farm Credit Administration

THE appearance of the first issue of the new bonds authorized under the Federal Farm Mortgage Act of 1934 marks another milestone in the agricultural credit history of this country. Dated March 15, 1934, the first issue of the bonds of the Federal Farm Mortgage Corporation will mature in thirty years, is callable on notice after ten years, and bears interest at the rate of $3\frac{1}{4}$ per cent, payable semiannually. Although available, as yet, only in small amounts, these bonds already are attracting the attention of investors and are selling at a premium.

Created by act of Congress approved January 31, 1934, the Federal Farm Mortgage Corporation was chartered to enable the Federal land banks to continue to make loans on the security of first mortgages on farms on their own account and first or second mortgages on behalf of the Land Bank Commissioner, mostly for refinancing existing indebtedness.

The payment of interest and principal of all bonds issued by the Corporation is guaranteed by the United States Government, and, in addition to this guarantee, the bonds are secured by consolidated

bonds of the Federal Land Banks and also by the farm mortgages accepted by the Land Bank Commissioner and, of course, by the capital of the Corporation itself. The bonds are exempt from all Federal, State, municipal, and local taxation with the exception of surtaxes, inheritance, estate, and gift taxes.

Principal and Interest Guaranteed

The Corporation is capitalized at \$200,000,000, and under the law it may issue and have outstanding at any time bonds up to \$2,000,000,000. The Corporation is to continue until terminated by Congress. It is given the authority to sell its bonds to investors and to use the proceeds to purchase the consolidated bonds of the Federal Land Banks, and to supply cash to the Land Bank Commissioner. The land banks and the Land Bank Commissioner would then use these funds in making further loans on farm mortgages.

An alternative plan likewise is provided by which the land banks may exchange their consolidated bonds for those of the Corporation and use them instead of cash in making loans. The latter plan

will be followed, at least for the present, and the Federal Land Banks and the Commissioner will make loans in the bonds of the Federal Farm Mortgage Corporation.

While, therefore, these bonds are not at this time being sold directly to the investing public, some of them will soon find their way to financial markets. Most of the mortgage loans now being made are for the purpose of refinancing farmers' indebtedness. When the farmers' creditors receive these bonds in settlement of the farmers' debts, they will hold them as a long-time investment in many instances, but where the creditors are in need of actual cash the bonds will be sold.

Bonds sold in this way will be purchased by the local banks and the investing public at large. Local banks will find these bonds a splendid medium for the investment of their idle funds, of which at the present time there is an overabundance. Undoubtedly many of the banks in the larger financial centers will also avail themselves of this opportunity of investing their excess cash in these highly desirable securities.

Bonds are Eligible Security

The bonds of the Corporation are eligible security for member banks of the Federal Reserve System for use in borrowing from the Federal Reserve Banks on their own fifteen-day notes and are, therefore, exceedingly liquid. They are lawful investment for all public, trust, and fiduciary funds where the deposit or investment of such funds is under the authority or control of the Federal Government. Since the bonds of the Corporation are guaranteed by the government, the Secretary of the Treasury is empowered to buy them as a public debt transaction.

Bonds of the Corporation are issued as coupon bonds, but may be exchanged for registered bonds through the Federal Reserve Banks. Changes in ownership of registered bonds will be recorded on the books of the Division of Loans and Currency of the Treasury Department at Washington. The first issue of Federal Farm Mortgage Corporation bonds is in denominations of \$100, \$500, \$1,000, \$5,000, and \$10,000. Through the Federal Reserve Banks, the smaller bonds of the Corporation may be exchanged for those of larger denomination, or vice versa.

The control of the policies of the Federal Farm Mortgage Corporation in such matters as the issuance of bonds, interest rates, dates of maturity, and denominations of bonds rests in the hands of the Board of Directors of the Corporation. The directors are the Secretary of the Treasury, or a Treasury Department official designated by him, the Governor of the Farm Credit Administration, who serves as Chairman of

the Board, and the Land Bank Commissioner. The directors of the Corporation plan to have successive issues of bonds carry such interest rates as will be necessary to provide the holders with returns comparable to those received by owners of long-term government bonds.

A full description of the security behind these Federal Farm Mortgage bonds—aside from the fact that they are guaranteed both as to principal and interest by the

Government did not guarantee them either as to principal or interest. The operation of the Federal Land Banks in supplying long-term credit to agriculture through the sale of their own bonds proved very successful; practically the entire capital supplied by the Federal Government at the time of the organization of the banks has been repaid. In the latter part of 1931, the chaotic financial conditions which existed generally rendered the further sale of land bank bonds practically impossible, and as a result the banks were forced to conserve their resources and restrict their loans.

Refinancing Bonds Issued in 1933

In an effort to restore normal conditions, early in 1933 the Congress authorized the Federal Land Banks to issue consolidated bonds for the purpose of refinancing farm indebtedness and to provide funds for new loans. The interest, not the principal, of these consolidated bonds was guaranteed by the United States.

However, the financial and economic situation had not improved sufficiently to allow these bonds to be sold

Federal Government—takes us back to the history of the land bank system. Created by act of Congress in 1917, the twelve Federal Land Banks were established to provide long-term amortized farm loans at a reasonable rate of interest through local co-operative organizations of borrowers. To provide the necessary funds, the twelve Federal Land Banks sold their own tax-exempt bonds to the investing public and these found a ready market, selling on a basis comparable to other high-grade bonds, even though the Federal

at par with an interest rate low enough to meet refinancing needs on an economical basis. The Farm Credit Administration, therefore, authorized the banks to pledge these consolidated bonds with the Reconstruction Finance Corporation for loans in sufficient amount to meet the emergency. Then, under the Emergency Farm Mortgage Act of 1933, the Congress also authorized the Land Bank Commissioner to loan \$200,000,000 for emergency purposes from a fund supplied directly by the Reconstruction Finance Corporation.

These Land Bank Commissioner loans, although administered by the Federal Land Banks as agents of the Commissioner, are totally apart from the loan assets which constitute security for Federal Land Bank bonds.

All land bank loans are secured by first mortgages and are made in amounts up to 50 per cent of the appraised normal value of the land and 20 per cent of the value of the insured buildings on the property, whereas the Land Bank Commissioner's loans are made on security of either first or second mortgages in amounts up to 75 per cent of the normal value of the farm and property. However, if the Commissioner takes only a second mortgage, the sum of the first mortgage plus his second may not exceed 75 per cent of the normal appraised value of the property so mortgaged.

In all cases, the security behind land bank and Land Bank Commissioner's loans is kept apart, and only the first mortgage made by the land bank is lodged with the registrar as security for the consolidated bonds of the banks. The mortgage securing a Commissioner's loan is held in trust by the land bank for account of the Land Bank Commissioner. The maximum amount which may now be loaned to an individual borrower by the Land Bank Commissioner is \$7,500.

Land Bank Loans Made Direct

The Land Bank Commissioner's loans are made direct to the borrower at the rate of 5 per cent per annum, whereas loans by the Federal Land Banks are made through national farm loan associations at a rate of 4½ per cent. Borrowers through these associations must subscribe to stock of the association in an amount equal to 5 per cent of the loan. In turn, the association subscribes the equivalent amount in stock of the Federal Land Bank, which stock is held by the bank as additional collateral for loans made through the association.

In localities where there are no

associations accepting applications for loans, farmers may borrow directly from the land bank of their district, but they are required to pay one-half of one per cent higher interest rate and must subscribe to stock of the land bank in an amount equal to 5 per cent of the loan in lieu of purchasing stock in a national farm loan association.

In making loans to farmers in Federal Farm Mortgage bonds, the Federal Land Banks and the Land Bank Commissioner will pay in cash amounts less than \$100, and, where necessary, cash will also be used for such expenses as appraisal fees, recording fees, insurance on farm property, and taxes which cannot be paid in bonds. For instance, if a farmer receives a loan for \$875, he will get \$800 in bonds and \$75 in cash. If more cash is needed to pay taxes, he may receive \$700 in bonds and \$175 in cash.

The act of Congress creating the Federal Farm Mortgage Corporation authorized the Land Bank Commissioner to continue the loans, stipulating that not more than \$600,000,000 of the Corporation's bonds may be used for this purpose. Such loans will be made by the Federal Land Banks for the Commissioner, who acts for the Federal Farm Mortgage Corporation. No loans may be made by the Commissioner on behalf of the Federal Farm Mortgage Corporation after February 1, 1936, except for the purpose of refinancing existing loans.

The facilities of the Federal Farm Mortgage Corporation should assure a continuation of the timely assistance which has been brought to the farming industry and the creditors of farmers through the refinancing program of the Federal Land Banks under the Farm Credit Administration.

248,000 Loans Made to March 24th

Since the beginning of the Farm Credit Administration in May, 1933, through March 24, 1934, the Federal Land Banks made 248,000 loans aggregating \$620,000,000,

which includes both land bank and Commissioner's loans. Including the loans held by the banks prior to May, 1933, there are now outstanding a total of land bank and Commissioner's loans aggregating \$1,740,000,000.

At the time the land banks shifted from a cash to a bond basis in making loans late in March, they were disbursing from \$6,000,000 to \$8,000,000 per day, and the change-over to a bond basis caused only a temporary retardation in the process of closing loans. Due to the highly favorable reception accorded the bonds from the very first by farmers, their creditors, banks and investors throughout the country, the land banks have increased rapidly their volume of loans in bonds.

By the last week in April they again were lending more than \$3,000,000 in bonds daily, and the steady and consistent rate of increase in the volume of loans closed indicates that within a short period the banks again will approach the peak activity previously attained when loans were being made in cash.

Bonds Selling Above Par

Local banks, insurance companies, mortgage companies, retired farmers, and other creditors, almost without exception, readily have offered to accept Federal Farm Mortgage Corporation bonds instead of cash in settlement of their mortgage claims. Banks and investors throughout the country are offering to purchase the bonds at the market price, plus accrued interest.

Farmers and creditors who are in immediate need of cash and wish to sell the bonds tendered to them can get more than 100 cents on the dollar for them. For, the bonds have been quoted above par in investment markets since they first appeared, recently being bid at 101¾, asked 101¾.

The bonds of the Federal Farm Mortgage Corporation will enable the Federal Land Banks and the Commissioner to complete commitments which have been made to

about 200,000 farmers to lend them approximately \$700,000,000 and, in addition, take care of the new applications received. New applications for loans are being received at the rate of more than 1,000 a day.

The execution of the tremendous refinancing program of the Farm Credit Administration has required a large expansion of the facilities and personnel of the Federal Land Banks. Following the curtailment of operations caused by unfavorable financial conditions of recent years, the Federal Land Banks loaned only \$27,000,000 during the entire year 1932; and, when the refinancing program of the Farm Credit Administration was announced, there were only 210 appraisers in the entire land bank system.

The great expansion in business which the land banks were suddenly called upon to handle following the adoption of the new refinancing program not only required a large increase in office equipment and personnel, but it was also necessary to train hundreds of appraisers to determine the normal value of farms and farm property. The flood of applications for loans that followed the announcement of the refinancing policy continued unabated throughout the Summer months of 1933, but, meanwhile, the training and organization of appraisers proceeded rapidly, and by October the banks were in a position to make appraisals faster than new applications were received. More than 5,000 trained appraisers had been placed in the field. Since January, the banks have been closing loans more rapidly than farmers have applied for loans. The backlog of applications accumulated during the period of preparation has steadily diminished in recent months.

Loans Applied to Many Uses

The refinancing program of the land banks under the Farm Credit Administration has released money into every channel of business. Over 87 per cent of the money loaned by the land banks

and over 91 per cent of the Commissioner's loans was used to refinance existing indebtedness, paying farmers' debts owed to commercial banks, insurance companies, merchants, supply dealers, doctors, tax authorities, and many other types of creditors.

Of the \$620,000,000 loaned from May, 1933, through March 24, 1934, about \$250,000,000 was used to refinance mortgage and other indebtedness owed to private lenders, retired farmers, mortgage companies, and other unclassified private institutions; commercial banks received about \$165,000,000; insurance companies, \$65,000,000; closed and restricted banks, \$7,000,000; merchants, \$6,000,000. Most of the remaining portion was paid out to a large number of other secured and unsecured creditors. About \$30,000,000 was used for the purchase of farm land and equipment and for general agricultural operations.

The requirement that a farmer have at least a 25 per cent equity in his farm makes it necessary in some cases for the farmer's creditors to agree to scale down their claims. Since last May, the creditors of farmers have written off more than \$25,000,000 of farmers' indebtedness which was refinanced with 36,000 land bank and Commissioner's loans.

Few Reductions Effected

About 10 per cent of the loans made by the land banks and 18 per cent of the Commissioner's loans were preceded by such scaling-down on the part of creditors. Where a scale-down of indebtedness resulted in a land bank loan, the average reduction was 28.8 per cent, and where a scale-down took place which was refinanced with a Commissioner's loan, the average total reduction was 26.1 per cent.

In most cases, such creditors have agreed that even with a scale-down they have obtained a better settlement of their claims by enabling the farmers to be refinanced than if they had resorted to foreclosure; where a scale-down is necessary in the future, no doubt

creditors will be glad to exchange mortgages and other evidences of debt for a sound liquid investment such as the Federal Farm Mortgage bonds.

The percentage of farmers who found it necessary to secure a scale-down of their debts before they could be refinanced is relatively small, but practically all farmers who obtained refinancing loans benefited by the lower interest rates on land bank and Commissioner's loans. During the next few years, the farmers who have already been refinanced will have an annual interest saving of more than \$6,000,000.

Interest Charges Sharply Reduced

Farmers who have obtained refinancing loans had, in the past, been paying interest rates running as high in some cases as 10 to 20 per cent, the average interest rate being 6.3 per cent. The great majority of farmers have obtained their loans through local national farm loan associations, and until 1938 will pay only 4½ per cent, an average saving of almost 2 per cent. Farmers who have been refinanced with Land Bank Commissioner's loans will pay 5 per cent, thereby giving them an average annual interest rate saving of almost 1½ per cent.

In addition, farmers who have obtained these long-term land bank and Commissioner's loans will no longer have to bear the expense of renewing their mortgages every few years at an additional cost of 1 to 3 per cent. This will mean another annual saving amounting to several millions of dollars.

Thus, the refinancing activities of the Federal land banks and the Commissioner since May, 1933, have saved many thousands of farms from foreclosure, paid substantial sums to hundreds of thousands of farmers' creditors, refinanced many farmers after their creditors had scaled down their debts, made possible a direct saving in interest rates to farmer-borrowers, and refinanced them on a basis which will allow them to pay out over a term of years.

THREE IMPORTANT SALES RATIOS

by ROY A. FOULKE

Manager, Analytical Report Department, Dun & Bradstreet, Inc.

ABOUT ten months ago I called upon the president of a New York corporation at his request to examine, in a general way, the financial statement of his business with him. The corporation had been in active operation about six years and its successive profit and loss accounts had shown profitable operations every year. These results were most striking as the six years spanned the treacherous period of the depression. The combined capital and surplus was around \$260,000, so the enterprise while it could not be classed among the large corporations, was by no means small.

During the third quarter of 1933, activities in most lines of business were gradually improving, sales were expanding, wages were being raised by an increasing number of concerns, wholesale prices were heading upward, profits were being reported, failures and liabilities were the lowest in several years, and the N.R.A. was giving evidence of historical business co-operation and eventful industrial revival.

This concern was manufacturing a product used in the building trade and the tragedy in this tale lies in the fact that the building trades even at this time have shown only a moderate recovery. In some unusual manner, however, the net sales of this enterprise had dropped in no single year of the depression. Each year showed further progress as the volume increased from \$410,000 to \$500,000 and for the year ending June 30, 1933, to \$960,000. In two years of continuous economic bob-sledding and in the one line of business activity which had the longest and

steepest run, this concern had increased its sales 134 per cent. That looked almost like the millennium.

I sat in a deep leather upholstered chair in the president's office as I looked over the balance sheet and profit and loss schedule for the year ending June 30, 1933. To him the figures made an impressive showing and disclosed most satisfactory profits. To me, after I had studied the figures for a while, the picture seemed like London in a Spring fog, dark and dismal. In fact, the longer I examined the figures, the darker and more dismal they became. Here was the reason.

For the year ending June 30, 1933, the sales had amounted to \$960,000 or at the average rate of \$2,630 per day. The balance sheet disclosed combined notes and accounts receivables of \$415,000. Mentally I divided the total receivables by the average sales per day and obtained an average collection period for the outstanding accounts of 158 days or approximately five months. Now, this concern sold its merchandise on terms of 30, 60 and 90 days and so it was obvious that at least half of the receivables were in a very archaic semi-conscious condition. Even if all sales were made on 90 day terms, something was wrong. A very substantial portion of those receivables had sleeping sickness.

A further cursory examination of the figures revealed a working capital (i. e., excess current assets) in the neighborhood of \$200,000. If half of the receivables were worthless, the concern actually had no working capital and was ready either for a strenuous reorganization or for the ultimate resting place of second-hand auto-

mobiles when the final exchange value approximates the sum of twenty-five dollars.

After I had taken a period which my host apparently thought was sufficiently long to study the intricacies of his financial statement and operating figures, he interrupted my meditation by asking for my reaction. I explained to him as carefully as I could the condition which I have outlined here in the preceding paragraphs. His initial surprise was turned into a kind of medieval mystification. My reasoning seemed logical but somewhere there must be a misleading premise as the sum total of his intimate knowledge of the business emphasized to him how continuously profitable operations had been.

The fact that the annual sales had expanded so steadily and rapidly in the one line of business which had been outstandingly dormant, should have put him on his guard. It took no great imagination to realize that the sales had been increased by means of granting increasingly liberal credits and as a result accumulated losses had actually been covered up for two or three years in an expanding amount of uncollectible receivables.

Two weeks later we met together again. This time we examined a detailed aging of the receivables which he had had his accountant carefully make at my suggestion. This aging verified the more general analysis which I had made on the basis of the average sales per day. About 10 per cent of the receivables in dollars were in the hands of attorneys for collection. About 20 per cent were from 30 days to over 180 days

past due and the company itself was naturally having extreme difficulty in making collections from this group. And finally, around 22 per cent had been renewed or extended on the original terms of sale or otherwise they would have been 30 to over 180 days past due. Fifty-two per cent of the entire receivables were off color (without giving any consideration to the condition of the receivables created by current sales) and that sum represented 38 per cent of the number of debtors. The situation was very involved. The patient was ill and the diagnosis had been delayed long past the critical period.

Poor Collections Cause Difficulty

One day late in 1920 a small unimpressive store was opened in western Pennsylvania on an initial capital of \$15,000, to sell clothing to men and women on the installment plan. The background of the installment clothing business calling for an initial down payment of 10 per cent and the balance in twelve to twenty equal weekly payments goes back to the last quarter of the nineteenth century, but this division of retail trade developed most rapidly immediately prior to the depression. This enterprise which started in such a small way turned out to be one of

the fastest moving streamlined band wagons in the commercial world. The story moves rapidly.

By 1923 three stores were in operation. Then there followed a period of wholesale expansion as additional units in widely scattered States were opened and similar businesses and chains were purchased, merged, or absorbed into this growing nation-wide enterprise. Millions of dollars needed to finance these operations were obtained as successive issues of cumulative preferred stock and common stock were marketed to the hungry investing public. By January 31, 1931, seventy-six stores were in operation over a wide territory extending as far south as Texas and as far west as Wisconsin. The working capital and tangible net worth were measured by the millions amounting to \$3,900,000 and \$4,580,000, respectively. No such sums had ever been invested before in the installment clothing business.

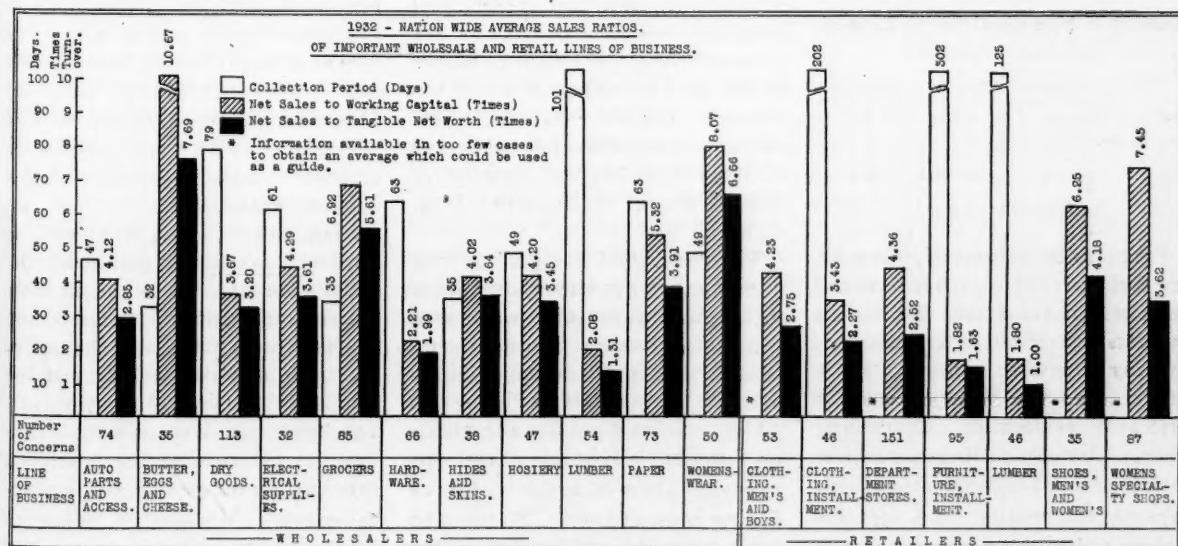
When the financial statement and profit and loss account for the year ending January 31, 1931, were made available, I had a talk with the president. Those figures showed net sales for the year of \$5,400,000 and the balance sheet carried receivables of almost the same identical amount. It took no oracle of Delphi to realize that at least

four-fifths of the receivables were worthless, as the receivables should at the most have disclosed an average collection period based upon the sales, of ten weeks and here they were showing fifty-two weeks. I outlined the details of this reasoning to the president but here again his intimate knowledge of his business would not allow him to realize the full significance of a few easily recognizable vital facts.

In October a voluntary petition in bankruptcy was filed. No settlement has been made with the creditors up to this time. Receivables carried on the books slightly in excess of \$5,000,000 were sold for the nominal sum of \$44,000. The stockholders' investment of \$4,580,000 has been entirely wiped out and it now appears as though creditors would be fortunate if they received five cents on the dollar in the final settlement. That condition was due largely, if not entirely, to the widespread unwise extension of credit. Heavy uncollectible receivables were rolled up like a snowball which then melted in time of need when funds were required to meet bank and trade obligations. That picture emphasizes the tremendous waste which can accumulate in the loose extension of credit.

On the other hand, credit when

1932 - NATION WIDE AVERAGE SALES RATIOS.
OF IMPORTANT WHOLESALE AND RETAIL LINES OF BUSINESS.



properly administered can and should be an outstanding constructive force in a recovery program. Credit terms can be expediently relaxed to assist temporarily heavy but sound buyers of merchandise in passing through a top-heavy or critical period. The ability to make exceptions, to change rules and terms to meet an unusual situation is, after all, the mark of the capable, experienced executive.

Depression Hardships Widespread

The years 1930, 1931, 1932, and 1933 comprised a period of overcast skies, and an almost continuously falling barometer with the exception of the last half of 1933 when there was some return of benignant confidence. For four years there had been a steady drop in the number of active business enterprises, manufacturers, jobbers, wholesalers, and retailers, in existence in our forty-eight States. From the all-time peak of 2,212,779 concerns on December 31, 1929, the number shrank to 1,980,700 on December 31, 1933, a decrease of 11.7 per cent. Since the turn of the century, in only one other year, 1918, had there been any falling off in the number of active business establishments when compared with the number for the previous year. The figures showing this steady decrease during these four years of sagging business activity are as follows:

Decrease in Number of Active Business Concerns 1930-1933

No. in Business at End of Year	Decrease During Year	Per Cent of Decrease
1933..... 1,980,700	95,880	4.8
1932..... 2,076,580	48,708	2.3
1931..... 2,125,288	57,720	2.7
1930..... 2,188,008	29,771	1.4

Total decrease 1930-1933 232,079

From the latter part of 1929 until the early part of 1933, our national economic outlook was dominated by fear, hesitation, and a questioning faith in what had come to be accepted as the absolute laws of orthodox economics. Increasing unemployment, failing banks, restricted bank and trade credit, collapsing commodity and security prices, unhealthy competition, the

banking moratorium, reduced wages, increasing fear of the unknown, undermined the morale of employers and employees. One shock followed another. Ambition was stifled by the first law of nature.

Failures and their liabilities increased by leaps and bounds, reaching in 1932 the immense record total of 31,822 embarrassments involving liabilities of \$928,000,000. The limited number of new concerns was insufficient to offset the tremendous onslaught of failures and the far greater number of voluntary liquidations. In 1933 the number of failures dropped to 20,307, involving liabilities of \$502,831,000, but the great increase in the number of voluntary liquidations brought about the greatest decrease in the number of active business concerns in our economic history.

The number of newly organized manufacturers which might have needed a substantial or even moderate investment in real estate, buildings, machinery and equipment, and of retail stores in which an investment in furniture and fixtures might have been required, dropped off because of the existing stress and strain, large failures, and the imposing array of operating losses in all lines of business. Men were more reluctant than ever before to part with their liquid resources to start new enterprises. And then no one knew from one day to another whether personal resources might or might not be needed for actual living expenses. Capital underwritings, except governmental notes and bonds and highly speculative stocks, almost disappeared from sight.

The New Deal has gone a long way along the routine of placing social consciousness on an honored pedestal. Jeremy Bentham condensed this political philosophy over 125 years ago in the phrase of "The greatest good for the greatest number." That apt phrase has received great popular currency during recent months. There is no doubt that the philosophy of the

New Deal is based upon its implications. We are attempting by fluid experiments to apply that principle by industrial and commercial self-regulation and governmental action to the field of business where self-interest has been the underlying motive since the days of ancient trading.

N.R.A. Aids Operations

The New Deal is explained by its spokesmen as a measure of planned economy in contrast to the individual initiative which dominated our colonial aggressiveness, the winning of the West, and the high standard of living made possible by manufacturing ingenuity and compactness. But be that as it may, business activity in the United States is still the expression of individualism and so it undoubtedly will remain.

Competition, after all, remains today the most effective element in business activity. Under the N.R.A., competition has been relieved of certain abuses, such as underselling due to low wages as the primary element in cost, and unfair trade practices peculiar to respective industries. Every business organization, except trusts, monopolies, and combines, does and should face the possibility that more active competitors will obtain increased business, that more visionary far-looking competitors will invent new machinery and processes, that because of bad judgment plant assets might be large and depreciation charges too heavy, and that because of poor judgment an excessive or a poorly balanced inventory might be created. These are axioms of the business world.

Flexibility of wages above a minimum is socially and economically desirable, but business men should understand that no attempt has been made to belittle the desirable effects of competition and individual initiative. Marginal concerns must overcome their difficulties or fall over the precipice into the chasm of business embarrassments. Successful concerns must produce the products de-

manded and needed by their customers and the public or join the ranks of the past. The National Recovery Act did not abolish competition and monopolistic practices are still outlawed.

For four difficult years competition became keener and harder. Because of the very pressure on existence, prices were cut below production costs in order to obtain business. Wages were cut and then further reduced. Never had there been a similar period in our economic history and the story is told by the immense total of failures, their aggregate yearly liabilities and the drop of 232,079 concerns in active operation during 1930-1933. These facts belong to economic history. Profits are now being recorded, the number of failures is below the corresponding weeks of 1933, liabilities are down and wholesale prices are up. For about a year prices have been rising upward, with constant fluctuations, but still going up, and it is this price trend which more than any other single factor has put life and breath into trade and industry. No small part of current profits, however, are inventory profits

and inventory profits are not healthy profits because they give a sense of security and confidence which is somewhat akin to self-hypnosis.

What is needed by business executives today as never before is a thorough fundamental under-

where flagrant unfair trade practices are outlawed, competition must of necessity become some-

what keener along the normal front of service. A greater premium is placed upon efficient operation, but efficient operation is predicated upon policies which are invariably reflected in healthy balance sheet proportions.

By this I mean that every official of an important business enterprise should realize the sheer folly and the inherent difficulties involved in carrying heavy fixed assets, substantial current liabilities, large mortgages and funded liabilities, excessive inventories, as one and all are indications of a weakened or a weakening financial condition. Heavy fixed assets drain the profit and loss account with heavy depreciation charges. Substantial current liabilities tax operating efficiency to meet trade and bank obligations when they become due. Large mortgages and funded liabilities make inroads upon operating figures in the form of interest charges. Excessive inventories involve unexpected losses by changes in style and in deterioration.

Along with these strategic balance sheet proportions which must be kept in line for sustained successful operations is the relationship of sales and receivables known as the aver-

Three Comparative Yearly Average Sales Ratios

Number of Concerns	Line of Business	Collection Period (Days)	Average Ratios	
			Net Sales Working Capital (Times)	Net Sales to Tangible Assets (Times)
<i>1931 1932 Manufacturers</i>				
163	Cloaks and Suits.....	38	7.48	6.08
135		30	6.69	5.65
126	Clothing, Men's and Boys'.....	64	4.96	3.89
167		65	4.49	3.56
28	Converters of Cotton.....	59	5.35	5.05
39		47	6.38	5.82
41	Converters of Silk.....	43	7.62	7.35
43		43	6.20	6.27
175	Dresses	42	9.67	7.41
187		35	8.45	6.49
35	Furniture	75	3.85	2.31
46		92	2.78	1.50
130	Fur Garments	40	4.16	3.74
102		51	3.20	2.78
19	Fur Trimmings	43	3.60	3.50
40		38	3.37	2.96
76	Knit Goods.....	45	7.75	3.93
89		38	6.64	3.53
22	Luggage, Leather.....	58	4.87	3.22
30		69	3.66	3.03
44	Paints and Varnishes.....	77	3.71	2.06
64		86	3.68	1.53
75	Printers, Job.....	47	7.77	2.71
72		64	7.39	2.48
50	Shirts, Underwear and Pajamas..	48	4.33	3.54
66		63	5.22	3.68
38	Silk Piece Goods.....	38	7.33	6.15
50		41	6.60	5.02
179	Shoes, Women's and Children's....	40	9.50	3.85
78		37	8.06	3.71
36	Underwear, Silk.....	49	8.08	5.54
92		40	7.59	5.27
<i>Wholesalers</i>				
33	Automobile Parts and Accessories	45	5.31	3.27
74		47	4.12	2.85
29	Butter, Eggs and Cheese.....	28	12.51	9.20
35		32	10.67	7.69
97	Dry Goods.....	77	4.40	4.00
113		79	3.67	3.20
24	Electrical Supplies.....	60	5.21	4.14
32		61	4.20	3.61
40	Grocers	34	7.51	6.18
85		33	6.92	5.61
33	Hardware	83	3.13	2.61
66		63	2.21	1.99
47	Hides and Skins.....	49	3.89	3.56
38		35	4.02	3.64
52	Hosiery	66	4.93	4.40
47		49	4.20	3.45
33	Lumber	84	3.56	2.68
54		101	2.08	1.31
42	Paper	55	6.74	4.60
73		63	5.82	3.91
27	Womenswear	43	8.79	6.94
50		49	8.07	6.66
<i>Retailers</i>				
22	Clothing, Men's and Boys'.....	*	4.07	2.62
53		*	4.23	2.75
35	Clothing, Installment.....	172	3.57	2.37
46		202	3.43	2.27
90	Department Stores.....	*	4.45	2.82
151		*	4.36	2.52
56	Furniture, Installment.....	246	1.86	1.70
95		302	1.82	1.63
38	Lumber	126	2.59	1.23
46		125	1.80	1.00
40	Shoes, Men's and Women's.....	*	6.37	4.20
35		*	6.25	4.18
79	Women's Specialty Shops.....	*	8.40	3.88
87		*	7.45	3.62

(*) Part of the sales are for cash and part are on charge account. To obtain an average collection period it would be necessary to deduct the cash sales from the annual net sales and then determine an average collection period on the balance. This necessary information is available in too few cases to obtain an average figure which could be used as a broad guide.

standing of the financial basis of successful business operations. In an economic society where the spread of wages within an industry is suddenly greatly narrowed and

age collection period. Each year many concerns fall by the wayside as a result of heavy losses from bad debts. During a depression this is particularly so.

Collection Period Must be Watched

When merchandise is sold, the gross profit is taken into the profit and loss account. This is so with every line of business with the exception of those very few installment furniture houses which make it a practice of setting up a sum equivalent to the mark-up as unrealized profit. Actually, the gross profit is not earned until the account is collected. The longer the terms of sale, the more important the collection becomes. "Distance lends enchantment" is no adage to describe sales terms. Chain stores early made this discovery.

Early in 1932 the Research Department of R. G. Dun & Co., in co-operation with several thousand representative business concerns throughout the United States, made a survey of bad debt losses for 1931 in primary divisions of industrial and commercial activity. From the results of this survey, a set of industrial and commercial credit loss averages were computed so that credit men might have a measure of the effectiveness of their own individual credit policies.

Bad debt losses were studied on aggregate sales of \$4,010,726,000 from 122 different lines of businesses. The lowest percentage of loss was reported by 62 manufacturers of electric motors, dynamos, lamps and electric furnaces. On aggregate sales of \$462,843,000 for 1931, bad debt losses to this group amounted to only \$559,043, or .121 per cent. The other extreme was reflected by the reports received from dealers in builders' supplies, such as stone, brick, sand and cement. In this line the loss averaged 4.345 per cent of sales, or about four times the average of the 122 reporting lines of business. These are average percentages. Percentages for individual businesses in some cases ran materially higher.

No study was made of the bad debt losses of the installment clothing line, but known losses ran around 22 per cent on sales in the Southern States and 16 per cent to 18 per cent in the Northern States. The well-operated installment chains anticipated this loss ratio by a proportionate mark-up.

Bad debt losses are only interesting as a recapitulation; they are analogous to a text-book study of the battles of Waterloo, or Gettysburg. There is, however, one early analysis of business transactions which can invariably be used to indicate the comparative effectiveness of collections. That analysis gives the guide known as the average collection period based upon sales. It is obtained by dividing the annual sales by 365 days to secure the average sales per day and then dividing that result into the combined sum of accounts and notes receivable plus any assigned accounts and discounted notes.

The average collection period obtained in this way should be in fair proportion to the net selling terms of the business unless the receivables on hand are larger than usual due to recent seasonal sales, such as the receivables of a department store on December 31, of the cutting-up trades on March 31, or wholesalers of lumber on August 31.

The average collection period has been determined for both 1931 and 1932 operations on sixteen manufacturing lines of business, eleven wholesaling lines and three retailing lines for this study. The number of concerns whose balance sheets and operating schedules were examined ranged from 5,754 in 1931 to 6,111 in 1932. The terms of sales used by the concerns in the various divisions in these studies were quite uniform.

Sales Volume is Vital Factor

From the gross income, that is, the sales of a business, come the funds to repay bank loans, to pay merchandise invoices, salaries, wages, rent, light, heat, transportation, insurance and other expenses. Sales are to the business

enterprise what oxygen is to the human being. They both support life. A very material increase in the volume of sales has the same effect upon the business organism as an increase in the quantity of oxygen has on the human organism.

I can best point out the practical value of these two important comparisons by describing the actual happenings of a concern which until a short time ago was recognized as one of the very successful leaders in the cutting-up trade, a manufacturer of popular-priced dresses ranging from \$3.75 to \$6.75. This enterprise had an operating history of six years, its progress had been rapid, the president had a national reputation for being able to anticipate the demands of the market consistently, and the business was quite generally looked upon as one of the outstanding profitable concerns in the cutting-up trade. From an initial investment of about \$50,000 the capital and surplus gradually increased, after liberal salaries and dividends, to around \$312,000 in its six years.

The figures of this concern, issued after the Easter shipments and consequently with large receivables on its books, came across my desk a little over a year ago. The liabilities were somewhat heavy but this fact was in general outweighed by the splendid record of the corporation and the uniformly high esteem with which the personnel was regarded. Two factors, however, indicated the existence of some undue strain and those two factors were the comparisons of net sales to working capital and net sales to the tangible net worth. Here is the contrast of these two guides as reflected by the figures of this particular enterprise, and the average for the industry.

Comparison	This Company	Average, Concerns
Net Sales to Working Capital.....	20.00	8.45
Net Sales to Tangible Net Worth..	16.00	6.49

For the fiscal year, this enterprise handled a volume of approximately \$5,000,000 on a working

capital of \$250,000 and on a tangible net worth on the statement date of \$312,000. The dominating policy was one of large volume and small profits, but comparatively heavy liabilities were necessarily involved in carrying out that policy. The turnovers of both working capital and tangible net worth were two and a half times the average of the industry; the disparity was so great that it was too much not to expect some developments.

Balanced Appraisal is Essential

I have mentioned that when a concern is transacting a very heavy volume of business, a strain is set up and continued operation can only be maintained under a delicate balance. What did I mean by "delicate balance?" Merely the relationship between the income and the outgo of funds. The lapse of time between the day funds are taken in and the day those same funds are disbursed is very short and nothing can disturb that balance without having a real effect upon the business.

The operation of a concern which is trading heavily is based upon an anticipated volume of business. Orders are placed for raw material to be manufactured into finished products to be available for shipment at some near future date. If anticipated orders suddenly drop off or collapse, if certain important orders already received and confirmed are cancelled and for business reasons the cancellations are accepted, if a strike occurs and raw materials continue to pile up; any one of these factors in a period of one to three months can and in the past have resulted in a still further increase in liabilities already heavy simultaneously with a drop in income to meet the larger obligations. That is an almost ideal combination for financial embarrassment. The ceiling falls and no landing place is discernible through the clouds. Funds to meet liabilities are missing.

This is what actually happened in this spectacular case. The re-

sult came fast and the record books now show a settlement of 70c. on the dollar with creditors.

In the business world, the two indications of the stress and strain from overtrading, from great speed, are these comparisons of net sales to working capital and tangible net worth. Watch them closely, particularly as sales climb upward.

Collection Periods Increase

This study gives the average collection period in days based upon sales of 30 divisions of industry and the average number of times the working capital and tangible net worth is turned over for 34 divisions. Moreover, this study gives these average results for both 1931 and 1932.

The year 1932 was a little further along toward the trough of the depression than 1931 and we would naturally expect comparative studies to show the effect of decreasing sales. In all except four of the 34 divisions of industry which make up this study, there is reflected a slower turnover of working capital and tangible net worth. When the 1933 figures are made available we shall find an upward tendency as a result of the material improvement in most of the lines of business activity in the last six months of last year.

The comparison of the average collection period for the two years shows a far different tendency. Of the 30 divisions of industry on which average collection periods could be obtained 17 show longer periods for 1932, 12 shorter periods, while one, the converters of silk piece goods, is identical for both years. The lines which disclose a shorter period are those which probably realized the full importance and need for cash and gave greater uniform attention to their collections notwithstanding the disturbed business outlook.

The highest average turnover of working capital is found in the case of the wholesalers of butter, eggs and cheese. Here we have a turnover of 10.67 times for 1932 and 12.51 for 1931. This line is

followed by the cutting-up trade with the manufacturers of dresses well in the van. Then come manufacturers of shoes, wholesalers of women's wear, retail specialty shops, manufacturers of silk underwear, job printers, manufacturers of knit goods, manufacturers of silk piece goods, wholesale grocers, and converters of silks.

The turnovers of net worth generally vary among industries somewhat similar to the turnovers of working capital, except that this statement is qualified by those lines which have heavy fixed investments. Job printers, manufacturers of knit goods, and specialty shops have relatively low turnover of their tangible net worth, while wholesalers of butter, eggs and cheese, manufacturers of dresses, silk underwear, and wholesale grocers, continue with the turnovers of net worth only slightly below those of working capital.

Sales are Business Lifeblood

The operating personnel of every business wants increased sales as above a certain point sales bring into effect that natural law of increasing returns. Above that point the cost of producing a product per unit drops, the cost of wholesaling or retailing a quantity of merchandise is lowered, and profits increase at a more rapid rate. It might cost \$50,000 to produce one automobile but 500,000 of the same model can be produced at \$400 each.

Ever increasing sales will continue to be the alpha and omega of the business world as long as the profit motive and the institution of private ownership serve their broad fundamental purposes. But in the process of continued economic expansion, businesses to be successful must guide their policies with a clear understanding that increased sales must be constantly accompanied by a healthy collection period, sufficient working capital, and adequate net worth.

GRAPHIC REVIEWS

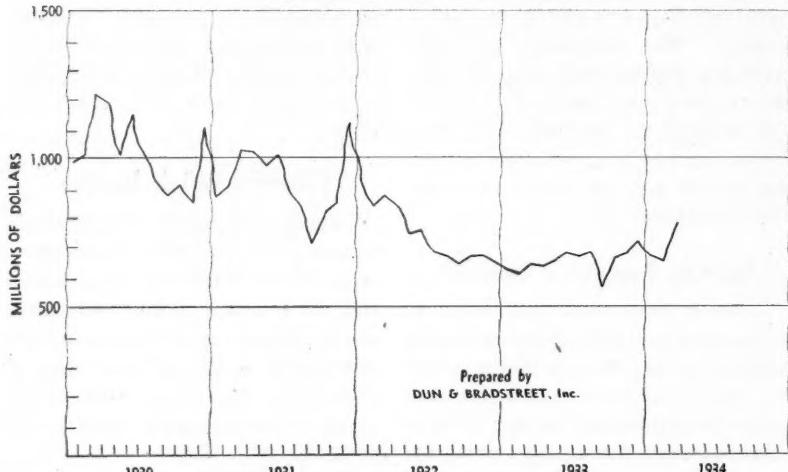
NEW LIFE INSURANCE

WITH an increase of 23.0 per cent in March over March of 1933, new life insurance production for that month made the most favorable showing thus far this year, according to the Association of Life Insurance Presidents. For the first quarter of 1934, the cumulative total was 12.7 per cent above the amount for the corresponding period of 1933.

For March, the total new business of all classes written by the 42 companies included in the report was \$787,628,000, against \$640,414,000 during March of 1933, an increase of 23 per cent. All classes contributed to the increase, the report shows. New ordinary insurance amounted to \$526,280,000, against \$435,308,000, an increase of 20.9 per cent. Industrial insurance amounted to \$228,107,000, against \$187,761,000, an increase of 21.5 per cent. Group insurance totalled \$33,241,000, against \$17,345,000, a gain of 91.6 per cent.

For the first three months, the total new business of these companies was \$2,101,158,000 this year, compared with \$1,864,570,000 last year, an increase of 12.7 per cent. New ordinary insurance amounted to \$1,386,351,000, against \$1,283,-

TOTAL SALES OF NEW LIFE INSURANCE



Prepared by
DUN & BRADSTREET, Inc.

March production of new life insurance increased almost \$140,000,000 above the February total, bringing the sales for March to the highest point in exactly two years.

ELECTRICITY PRODUCTION

OUTPUT of electricity for public use during the month of March totalled 7,665,000,000 kilowatt-hours, which was equal to a daily average production of 247,300,000 kilowatt-hours. This was a decrease of 1.2 per cent from the average daily output for February, as against a normal seasonal decline of 1.7 per cent for the period.

New Life Insurance Sales *

(Thousands of dollars)

	1934	1933	1932
Jan.	\$665,457	\$614,431	\$943,511
Feb.	648,073	609,725	831,187
Mar.	787,628	640,414	888,966
Apr.	628,778	822,367	
May	645,320	759,353	
June	687,776	768,233	
July	666,095	691,364	
Aug.	688,620	668,779	
Sept.	577,776	639,937	
Oct.	657,362	670,039	
Nov.	681,049	671,242	
Dec.	715,258	741,920	
Total	7,812,602	9,096,898	

* Source: Association of Life Insurance Presidents.

Monthly Electricity Production *

(Millions of Kilowatt-hours)

	1934	1933	1932	1931
January	7,631	6,932	7,567	7,956
February	7,051	6,285	7,023	7,170
March	7,665	6,674	7,323	7,888
April	6,462	6,790	7,655	
May	6,996	6,650	7,645	
June	7,231	6,563	7,529	
July	7,479	6,547	7,772	
August	7,086	6,764	7,630	
September	7,347	6,752	7,540	
October	7,478	7,073	7,765	
November	7,243	6,952	7,406	
December	7,470	7,149	7,773	
Total	85,283	83,153	91,729	

* Source: U. S. Geological Survey.

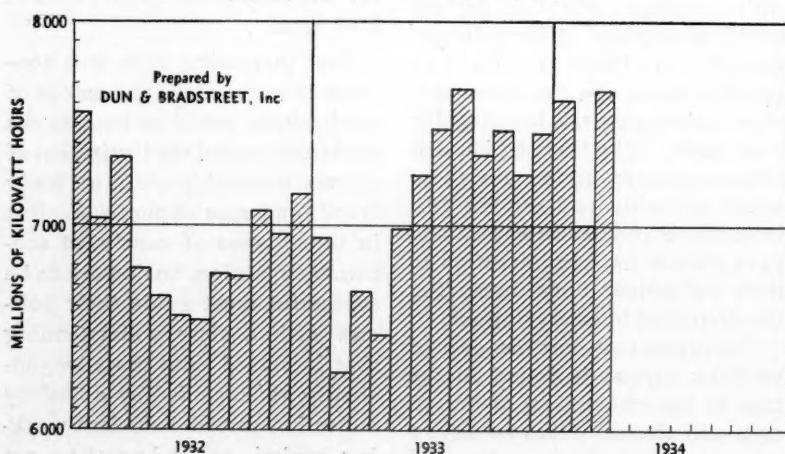
Weekly Electricity Output *

(Thousands of kilowatt-hours)

	1934	1933	1932
Apr. 28	1,668,564	1,427,960	1,454,505
Apr. 21	1,672,765	1,431,095	1,469,810
Apr. 14	1,642,187	1,409,603	1,480,738
Apr. 7	1,616,945	1,399,367	1,465,076
Mar. 31	1,665,650	1,402,142	1,480,208
Mar. 24	1,658,389	1,409,655	1,514,553
Mar. 17	1,650,013	1,375,207	1,537,747
Mar. 10	1,647,024	1,390,607	1,538,452
Mar. 3	1,658,040	1,422,875	1,519,679
Feb. 24	1,646,465	1,425,511	1,512,158
Feb. 17	1,640,951	1,469,732	1,545,459
Feb. 10	1,651,535	1,482,509	1,578,817

* Source: Edison Electric Institute.

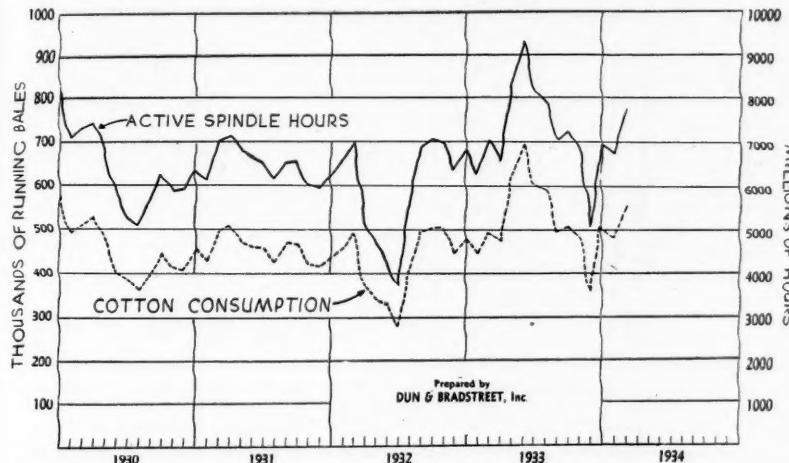
ELECTRIC POWER PRODUCTION



Production of electricity in March was very close to the 1933 peak of last August, and with the exception of that month was the highest total reported since December, 1931.

OF MAJOR TRENDS

COTTON CONSUMPTION AND SPINdle ACTIVITY



Both cotton consumption and cotton spindle activity were at the highest level since last August. Compared with a year ago March consumption showed an increase of 10.1 per cent.

COTTON CONSUMPTION HIGHER

COTTON consumed during March, as reported by the Bureau of the Census, was the highest since last August, totalling 543,690 bales of lint and 74,529 bales of linters, compared with 477,890 and 59,674 in February this year, and 495,183 and 55,441, respectively, in March last year. Stocks of cotton in manufacturing establishments and in warehouses declined approximately 791,000 bales during the month.

Cotton Consumption

(Thousands of running bales)

	1934	1933	1932	1931	1929
Jan.	508	471	435	450	668
Feb.	478	442	451	433	595
Mar.	544	494	489	491	632
Apr.	471	366	509	632	
May	621	332	465	669	
June	696	323	454	569	
July	601	279	451	547	
Aug.	589	403	425	559	
Sept.	499	492	464	546	
Oct.	504	502	461	640	
Nov.	475	504	425	541	
Dec.	348	440	415	453	
	6,211	5,016	5,443	7,051	

Source: Bureau of the Census.

The cotton spinning industry, according to the Bureau, operated during March at 102.9 per cent of theoretical capacity, on a single-shift basis, compared with 101.5 in February and 93.9 in March of last year.

BITUMINOUS COAL OUTPUT

BITUMINOUS coal output dropped sharply during the month of April, the total being 24,977,000 tons, as compared with 38,497,000 for March and 19,523,000 tons for April of last year. The March total was the largest in over three years, while the April output declined to the lowest since May a year ago.

Monthly Bituminous Production *

	1934	1933	1932
Jan.	32,415,000	27,060,000	28,261,000
Feb.	31,970,000	27,134,000	28,383,000
Mar.	38,497,000	23,685,000	32,676,000
Apr.	24,977,000	19,523,000	20,568,000
May	22,488,000	18,627,000	
June	25,320,000	17,984,000	
July	29,482,000	18,093,000	
Aug.	33,910,000	22,786,000	
Sep.	29,500,000	26,662,000	
Oct.	29,656,000	33,110,000	
Nov.	30,582,000	31,038,000	
Dec.	29,600,000	31,522,000	
Total.	327,940,000	309,710,000	

* Source: U. S. Bureau of Mines.

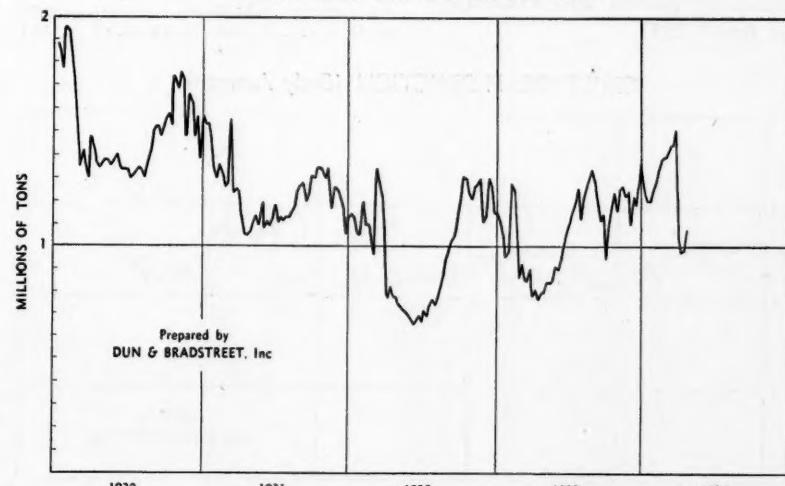
Weekly Bituminous Production *

(Daily average output, tons)

	1934	1933	1932
Apr. 28...	1,053,000	804,000	783,000
Apr. 21...	980,000	772,000	789,000
Apr. 14...	980,000	811,000	825,000
Apr. 7...	1,044,000	793,000	774,000
Mar. 31...	1,534,000	901,000	1,023,000
Mar. 24...	1,443,000	850,000	1,210,000
Mar. 17...	1,427,000	854,000	1,290,000
Mar. 10...	1,393,000	920,000	1,341,000
Mar. 3...	1,379,000	878,000	982,000
Feb. 24...	1,388,000	1,031,000	1,092,000
Feb. 17...	1,336,000	1,253,000	1,105,000
Feb. 10...	1,287,000	1,289,000	1,104,000
Feb. 3...	1,249,000	975,000	1,063,000

* Source: U. S. Bureau of Mines.

BITUMINOUS COAL PRODUCTION



Weekly fluctuations of daily average output are shown in the chart. Daily average for April was 1,032,000 tons and compared with 1,486,000 in March and 790,000 in April a year ago.

GRAPHIC REVIEWS

APRIL BUILDING LARGER

RISING 14.7 per cent over March, building permit values during April showed a much more than seasonal increase, which for this period is usually about 6.5 per cent. Comparison with March a year ago likewise displayed great improvement, the increase amounting to 32.5 per cent.

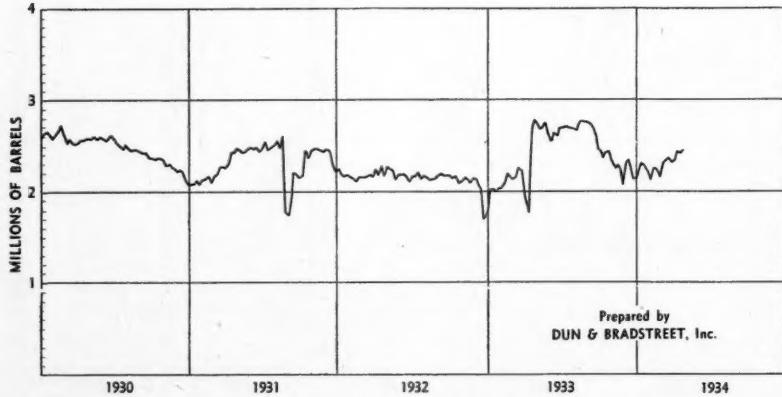
The monetary value of permits filed during April for new buildings, alterations, additions and repairs for 215 cities of the United States totalled \$29,262,666, compared with \$25,505,005 during March and \$22,091,417 for April a year ago. Last month's total was the largest reported since September, last.

Building Permits (Value)

	(215 Cities)	1933	1932
Jan.	\$20,825,055	\$17,744,805	\$42,429,665
Feb.	19,326,964	17,161,943	40,858,988
Mar.	25,505,005	17,798,441	37,876,746
April	29,262,666	22,091,417	47,741,687
May	—	31,525,522	84,566,714
June	—	24,098,884	82,178,221
July	—	29,484,891	27,150,469
Aug.	—	32,391,868	27,565,795
Sep.	—	32,243,704	30,487,268
Oct.	—	26,198,342	26,107,428
Nov.	—	28,021,688	29,801,309
Dec.	—	24,915,270	28,279,690
Total...	\$818,676,276	\$899,288,980	

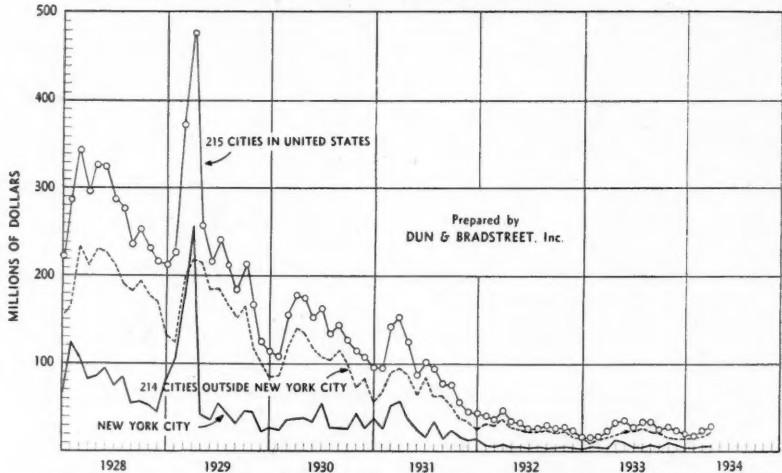
For the 214 cities outside of New York permit values last month amounted to \$22,686,993, as compared with \$19,804,760 in the preceding month and \$19,055,903 for April, 1933.

CRUDE OIL PRODUCTION (Daily Average)



The gradual increase in crude oil production during the past few months has brought the current rate to the highest point since the week of September 23, last.

BUILDING PERMIT VALUES



A greater than seasonal increase in April building permits has brought the total for the 215 cities to the highest level since September of last year.

Permits for the five boroughs of New York City aggregated \$6,575,673, more than double the total of \$3,035,514 reported in April last year, and an increase of 15.4 per cent over the March total of \$5,700,245.

Following is the record for April this year and last:

	April, 1934	April, 1933	Change P. Ct.
New England...	\$2,848,001	\$1,276,391	+ 70.6
Mid. Atlantic...	10,632,459	6,195,810	+ 71.6
South Atlantic...	3,821,025	2,609,628	+ 24.8
East Central...	4,202,760	1,862,492	+ 125.7
South Central...	2,017,191	1,732,101	+ 16.5
West Central...	2,756,960	3,798,282	- 27.4
Mountain...	425,257	342,221	+ 24.3
Pacific...	8,649,018	4,114,992	+ 13.7
Total U. S. ...	\$29,262,666	\$22,091,417	+ 32.5
New York City...	\$6,575,673	\$3,035,514	+ 116.6
Outside N. Y. C. ...	\$22,686,993	\$19,055,903	+ 19.1

CRUDE OIL PRODUCTION

DAILY average crude oil production in the United States increased 19,150 barrels in the week ended April 28, the daily average for the week being 2,450,250, or 84,050 barrels a day above the Federal allowable output, according to the report of the American Petroleum Institute. Furthermore, the daily average for the latest week was the largest since the week of September 23, last.

The daily average for the four weeks of April was 2,417,000 barrels, which compared with 2,318,000 during March and 2,115,000 during April of last year.

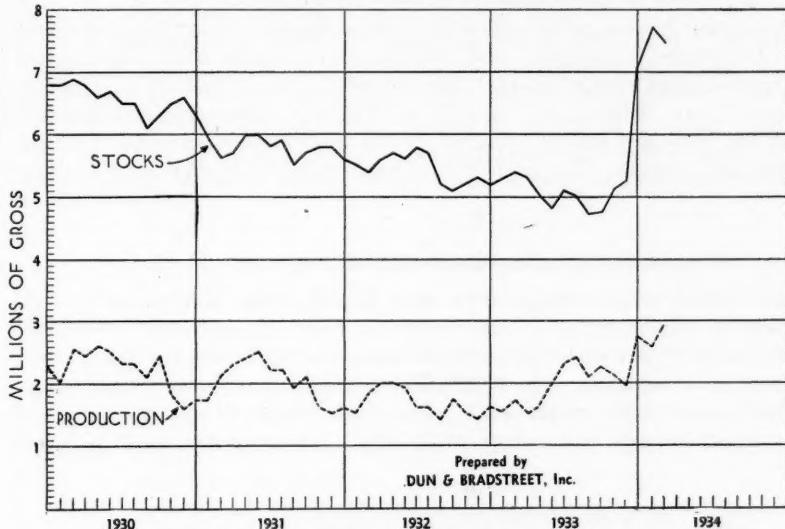
Stocks of finished gasoline on April 28 totalled 56,011,000 barrels, or 1,498,000 barrels less than the stocks reported on April 21.

Following appears the daily average production of crude oil for recent weeks with comparisons:

	1934	1933	1932
Apr. 28....	2,450,000	2,388,000	2,178,000
Apr. 21....	2,431,000	1,796,000	2,268,000
Apr. 14....	2,449,000	1,934,000	2,182,000
Mar. 31....	2,325,000	2,240,000	2,154,000
Mar. 24....	2,390,000	2,250,000	2,163,000
Mar. 17....	2,378,000	2,126,000	2,157,000
Mar. 10....	2,314,000	2,116,000	2,146,000
Mar. 3....	2,183,000	2,148,000	2,141,000
Feb. 24....	2,226,000	2,193,000	2,141,000
Feb. 17....	2,289,000	2,083,000	2,108,000
Feb. 10....	2,284,000	2,025,000	2,138,000
Feb. 3....	2,122,000	2,028,000	2,153,000

OF MAJOR TRENDS

GLASS CONTAINER PRODUCTION AND STOCKS



The glass container industry, both production and shipments, was operating at a record rate during the month of March. Stocks were also very large, although somewhat below the preceding month.

GLASS INDUSTRY AT PEAK

MARCH production and shipments of glass containers rose to the highest levels since the records were started in September, 1925, according to the report of the Glass Container Association. Compared with March of last year, production showed an increase of 71.3 per cent.

Production—Glass Containers *

	(Thousands of gross)	1934	1933	1932	1931	1930
January	2,770	1,636	1,606	1,703	2,336	
February	2,600	1,585	1,548	1,716	2,074	
March	2,920	1,704	1,886	2,102	2,527	
April	2,020	1,568	2,027	2,334	2,419	
May	1,693	2,027	2,481	2,633		
June	2,007	1,945	2,565	2,528		
July	2,322	1,677	2,268	2,341		
August	2,492	1,600	2,239	2,380		
September	2,158	1,462	1,948	2,146		
October	2,287	1,750	2,128	2,408		
November	2,123	1,508	1,692	1,861		
December	1,997	1,462	1,508	1,627		
Total	20,558	24,684	27,280			

* Source: Glass Container Association.

Shipments—Glass Containers *

	(Thousands of gross)	1934	1933	1932	1931	1930
January	2,662	1,738	1,743	1,988	2,110	
February	2,585	1,508	1,764	1,926	2,011	
March	3,137	1,621	1,963	2,421	2,437	
April	1,682	1,919	2,231	2,584		
May	1,969	1,901	2,545	2,788		
June	2,129	2,018	2,491	2,451		
July	2,112	1,551	2,180	2,300		
August	2,553	1,757	2,213	2,398		
September	2,529	2,066	2,310	2,576		
October	2,084	1,774	1,941	2,249		
November	1,806	1,522	1,537	1,641		
December	1,873	1,306	1,396	1,450		
Total	21,344	25,179	29,153			

* Source: Glass Container Association.

FREIGHT CARLOADINGS

CARLOADINGS of revenue freight for the week ended April 28 amounted to 608,654 cars. This was the largest total since the week of March 17, and exceeded the preceding week's total by 19,201 cars, or 3.3 per cent, and was 69,845 cars, or 13 per cent more than for the corresponding week of last year.

This latest increase brought the Dun & Bradstreet adjusted index of carloadings to 62.1 per cent of the 1928-1930 average, compared with 64.0 on March 31 and 54.8 for the same week of 1933.

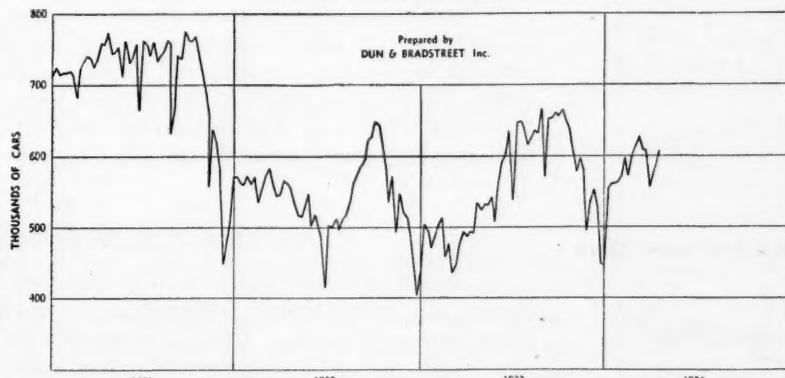
For the first 17 weeks of this year loadings totalled 9,880,479 cars, a gain of 19.4 per cent over last year.

Carloadings by Weeks *

	1934	1933	1932
April 28.....	608,654	538,809	554,197
April 21.....	589,453	496,512	562,527
April 14.....	578,837	498,182	566,826
April 7.....	557,887	492,061	545,623
March 31.....	608,448	498,356	544,961
March 24.....	608,462	479,959	561,118
March 17.....	625,773	453,637	584,759
March 10.....	612,402	441,361	575,481
March 3.....	604,137	481,208	559,479
February 24....	573,371	462,315	535,498
February 17....	598,896	517,529	572,265
February 10....	572,504	504,663	561,535
February 3....	564,098	486,059	573,923
January 27....	561,566	475,292	560,843
January 20....	560,430	499,554	562,101
January 13....	555,627	509,893	572,649
January 6.....	499,939	439,409	571,678

* Source: American Railway Association.

FREIGHT CARLOADINGS



Following the decline in the first week of April, carloadings made steady progress throughout the month, the total for the last week being the highest since the week of March 17.

THE BUSINESS MONTH REPORTED

1st Federal Reserve District



POPULATION—7,834,000; PER CENT TOTAL U. S.—6.32

Strong consumer buying still largest sustaining factor in continued business improvement. Of major industries, shoe manufacturing made most satisfactory showing, with post-Easter recession less than seasonal. Wool market quiet, with prices irregularly lower. Cotton mills active on old orders; new business decreased. Light demand for finished cotton goods; prices easier. Exceptional activity in rayon yarns and fabrics. Demand for lumber enlarged. Pay rolls higher.



2nd Federal Reserve District



POPULATION—16,343,000; PER CENT TOTAL U. S.—13.12

Continued rains, cold temperatures, and larger State income taxes than usual held gain in April retail sales down to 4 to 10 per cent over last year's. Wholesale markets less active; volume of orders 10 to 20 per cent above 1933 level. Trading in equities only 29,846,502 shares; lowest total since February, 1933, and smallest April since 1925. Par value turnover of bonds rose to \$362,200,000; heaviest for any April since 1922. Factory employment up 5 per cent.



3rd Federal Reserve District



POPULATION—7,619,000; PER CENT TOTAL U. S.—6.14

Virtually all lines sharing in upward swing, which continued well sustained during April. Industrial operations averaging 50 per cent more than for same 1933 period, with steel, glass, and electrical equipment leading. Most labor troubles adjusted. Orders for locomotives up 200 per cent. Crude oil output unchanged; bituminous coal production less than in March, but 40 per cent higher than in April, 1933. Retail sales gained 20 to 25 per cent over last year's.



4th Federal Reserve District



POPULATION—11,407,000; PER CENT TOTAL U. S.—9.19

Despite unseasonably cold weather and strikes, which affected 10,000 to 15,000 workers, April retail sales exceeded last year's dollar volume by at least 35 per cent. Aside from plants experiencing labor troubles, industrial activity undiminished. Steel output closed month at 80 per cent of capacity. Paint output running 50 per cent ahead of 1933 comparative figures. Industrial employment at highest level since June, 1930. Bank debits increased sharply.



5th Federal Reserve District

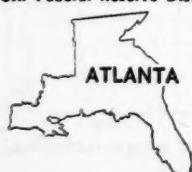


POPULATION—11,073,000; PER CENT TOTAL U. S.—8.92

Industrial output continues to advance, both in value and units, with fertilizer factories and automobile assembling plants leading. Peak levels being reached in output of cigarettes. Paper industry operating on more satisfactory basis. Retail sales running 40 to 50 per cent higher than a year ago. Wholesale trade quieter during April; sales of cotton goods advanced sharply by preparations for National Cotton Week. Employment gains reducing numbers on relief.



6th Federal Reserve District



POPULATION—11,339,000; PER CENT TOTAL U. S.—9.14

Retail sales averaging 15 to 20 per cent better than for April, 1933. Post-Easter lull nearly absent. Wholesale orders well maintained in nearly all lines; little change in prices. Upturn in demand for automobiles and house-furnishings continued. Delay in enactment of cotton crop control measure and adjustment of reduction quota contributed to business hesitancy. Cotton being marketed slowly. Nearly 98 per cent of Southern rice growers participating in acreage reduction.

BY FEDERAL RESERVE DISTRICTS

POPULATION—18,606,000; PER CENT TOTAL U. S.—15.00

Steady pace of trade maintained throughout district, despite slower movement in some trades, because of adverse weather conditions. Retail distribution gained around 25 per cent over April, 1933, but sales fell below comparative 1932 totals. Volume of mail-order houses up 28 to 35 per cent. Mid-year furniture exhibition well attended. Industrial employment in Michigan 85 per cent greater than in April, 1933. Billion-dollar gain anticipated in 1934 automobile production.



POPULATION—9,676,000; PER CENT TOTAL U. S.—7.82

General confidence in future strengthened by increased activity in all major manufacturing lines. Some improvement in unemployment situation, but condition still critical. Rate of steel output increased. Production of shoes and clothing active at level in excess of previous year. Retail sales ahead of last April's by 25 per cent. Building activity increasing. Residential property bringing highest prices in several years. No gains reported in orders by flour mills.



POPULATION—5,370,000; PER CENT TOTAL U. S.—4.35

Unfavorable weather retarded retail sales, but volume rose nearly 25 per cent above last year's. Staples selling better in country territory than in cities. Wholesale buying for stock decreased; fill-in orders heavy. Hardware orders rose, but farm implement sales declined. Flour production continues to lag; all other industries running ahead of the volume of April, 1933. Severe winds and cold retarded farming operations, with conditions in some districts serious.



POPULATION—7,967,000; PER CENT TOTAL U. S.—6.42

Excepting a few sections where drought eliminated crops last year, retail sales ranged 50 to 75 per cent higher than in April, 1933. Wholesale volume outside of larger cities up 30 per cent; wholesale hardware business 45 to 50 per cent over last year's. Orders for harness doubled; movement of farm implements slower than in March. Total number of employed declined. Wheat crop prospects less favorable; large areas ruined by dust storms. Land values advancing.



POPULATION—7,078,000; PER CENT TOTAL U. S.—5.72

Slackened pace of business which started at beginning of April continued throughout month. Average in all lines well above last year's, with temporary let-down viewed as natural result of consistent climb in wholesale and retail distribution since last August. Consumer demand in country districts not so strong as in March, but total retail sales for district gained 35 to 40 per cent over April, 1933. Automobile sales more than double last year's. Improvement in demand for farms.



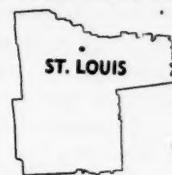
POPULATION—9,758,000; PER CENT TOTAL U. S.—7.86

Retail trade for April held up well, with season drop in volume less than normal, and only small percentage below March. Wholesale trade maintained in most lines. Supporting higher level of business were active steel markets, increased sales of gasoline, advanced manufacturing operations, and completion of important canners' code. Industrial employment increased by more than seasonal amount. Lumber mill operations expanded. Steamship lines report capacity bookings.

7th Federal Reserve District



8th Federal Reserve District



9th Federal Reserve District



10th Federal Reserve District



11th Federal Reserve District



12th Federal Reserve District



PAPER INDUSTRY WELL ON WAY TO PROFITABLE YEAR

AFTER passing through three years of declining values and volume, a trend which was not checked until the second quarter of 1933, paper companies generally now have achieved a position which assures a more rapid rate of expansion. The new year has started with production as well as prices far above the low levels prevailing early in 1933, and all branches are to be benefited further by the codes which promise the elimination of the price-cutting mania, which all but destroyed the industry a few years ago.

Average volume during the first quarter ranged from 35 to 40 per cent over that for the comparative 1933 period, demand covering nearly the entire range of papers, with bond and rag leading. The quick recovery of the wrapping paper division has been little short of phenomenal, and is indicative of the spreading improvement in general business activity.

The steadily increasing volume during the last six months of 1933, together with the higher prices, enabled a number of firms to show profits at the close of the year, while in other instances losses were curtailed for the first time in four years. Although the market is not quite so steady as it was last Fall, indications point to a more accelerated movement during the next few months, with the largest gains to be recorded for the better grades of paper.

In marked contrast to the situation last Summer, speculation is almost entirely absent, buyers holding commitments to actual needs. Orders are increasing each month, however, and the already advanced level of prices has assured a good inventory apprecia-

Enlarged volume with higher prices brought profits to many firms in 1933; others curtailed losses for first time in four years. Mill operations expanding, as sales advance 35 to 50 per cent above first quarter level of 1933. Prices more stable since adoption of code. Total failures cut 40.9 per cent.

tion as the Spring season progresses.

Volume of pulp and paper production is 20 to 50 per cent ahead of that of a year ago, and is maintaining the pace set by the general recovery movement. Manufacturers in the Northwest report steady capacity schedules which have been maintained for the last eight months. Factory employment is increasing, now being 25 to 35 per cent larger than in March, 1933, with prospects for more frequent additions to pay rolls in the near future.

Specialties are being produced in quantities as high as 100 per cent over last year's, while general purpose wrapping papers, especially kraft, are nearly double the shipments of that period. Fruit wrappers are being turned out in quantities fully 50 per cent above last season's, in anticipation of an unusually good yield in various fruit districts.

Mill Operations Expanding

While production of newsprint in the United States in 1933 declined to 946,374 tons from 1,006,569 in 1932, or a drop of 6.2 per cent, the increase in the output of Canadian mills to 2,017,004 tons in 1933 from 1,907,566 tons the previous year, or a gain of 6.2 per cent, and larger contributions by mills of Mexico and Newfoundland enabled a small increase to be shown for the year. For, the total North American

output of newsprint in 1933 was 3,250,579 tons, as compared with 3,207,291 tons in 1932, an increase of 1.3 per cent. Since the first of the current year, production of newsprint has been increasing. January output for the United States and Canada was 26 per cent larger than in Jan-

uary, 1933, and in February the gain was 28 per cent, with the total production of 247,000 tons marking the largest February output in four years. In the paper board division, which is one of the largest classes in point of tonnage, output has receded from around 75 per cent of capacity in the third quarter of 1933 to about 70 per cent of capacity, but current orders indicate wider operations in the next few weeks.

Sales Trend Still Upward

Aggregate sales in the wholesale division for the first quarter were 33 to 50 per cent more than during the same period of 1933. Orders for print paper gained about 25 per cent, while orders for wrapping paper rose at least 45 per cent. Staple lines, such as bond and ledger paper represented the bulk of the sales, but the fancy papers for direct mail advertising still are showing only small percentages of gain.

Wrapping paper, paper bags, napkins, and the cheaper lines of print paper undoubtedly form the bulk of the current movement. Sales to the printing trade during the last six months have reached a better total than has been recorded in more than two years.

The coarse paper market is improving, the betterment including kraft, kraft specialties, tissues, and other coarse paper lines. Fine papers are moving in fair quanti-

ties, with an increase in the size of the orders being particularly noteworthy. Books and covers now appear to be out of the maze of price readjustment problems, and demand has become stronger during the past month, while in the ground wood markets, orders of any consequence are just beginning to appear.

The improvement in the entire market is having its effect on newsprint, orders for which have been on the increase during the last sixty days, and there is a heavier movement of the cheap grades of paper in nearly all branches. While distributors are enthusiastic concerning the steady rise of volume during the Spring months, retailers are not inclined to increase inventories to any extent.

Prices More Stable

During the latter half of 1933, prices advanced rapidly and rather abruptly in many instances. It is estimated that common grades and low grades of fine paper are up 40 to 50 per cent, and high grade fine papers from 10 to 25 per cent from the 1933 comparative level. Newsprint was the only exception, as there has been no alteration in the last two years, the price continuing at \$40 a ton. The general price level now stands at 10 to 30 per cent above that of a year ago, with stability strongly in evidence since the adoption of the N.R.A. code.

Collections in most districts have improved only slightly and are not in keeping with the progress made in sales. Among manufacturers, collections are good, due undoubtedly to the class of trade solicited, the terms, and the close attention being given to the extension of credit. The printing trade, one of the principal consumers of paper, has experienced particularly unfavorable conditions during the last few years, and paper houses accordingly have restricted credit. It is estimated that fully 80 per cent of the small job printers now are on the C.O.D. list. The reduction of indebtedness of long standing has been rapid in the

South, reflecting the aid given to the cotton industry and other governmental expenditures.

Atlanta

Through the paper lines generally, average sales increase ranges from 35 to 40 per cent over the same period of 1933. Demand has been for the general lines. Prices are steady, with no material increase anticipated.

Baltimore

Due to the early establishment of the manufacturing code in this industry last November, prices have leveled and production is well under way. The output of manufacturers has increased steadily since the close of 1933 and is now 28 per cent higher than the output at this time last year. Increased demand for newsprint paper and the cheaper grades is evident.

Wholesale dealers report large sales of advertising papers, but a slackening in stationery and some of the fine paper lines. Paper box, paper bag and wrapping paper wholesalers show a greatly improved condition, with sales well in excess of figures at this time last year.

Birmingham

Sales in the paper trade have continued to improve through the first sixty days of 1934, jobbers in this section reporting output ap-

proximately 25 per cent better than for the same period of 1933. Improvement in this line has appeared constant for the past six months. *

Boston

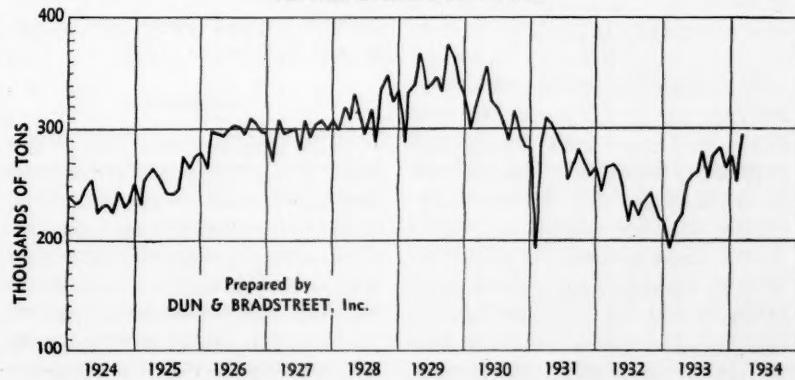
This is not a large manufacturing center of paper, but many mills located elsewhere have their headquarters here. There also are a large number of good-sized dealers in white paper, who serve the printing trades. They report a distinct firmness of prices, although no great number of price increases. Business has not increased in volume to any great extent, due to quietness in the printing trades and uncertainties over the printing code.

Cleveland

Conditions in the paper trade in this section have shown gradual improvement during the last six months. Increased volume and better prices enabled a number of concerns to show profits for the year, while in other instances losses were greatly curtailed. There was a falling off in demand in December and January, but first-quarter sales were 30 to 40 per cent ahead of last year.

Prices have shown little change recently. The general level now is about 10 per cent higher than a year ago. Although uncertainty exists in view of possible further reduction in working hours, which would increase costs, important

NEWSPRINT PRODUCTION
(United States and Canada)



Since the first of the current year, production of newsprint has been increasing. January output was 26 per cent larger than in January, 1933, and in February the gain was 28 per cent. For both February and March, total production at 247,000 and 295,000 tons, respectively, marked the largest recorded for these months in four years.

price advances do not appear likely in the immediate future.

Dallas

Local wholesalers of paper and paper products have been greatly encouraged by a steady increase in volume since the first of the year. Starting with January, in which the dollar volume of sales was around 25 per cent larger than in January, 1933, the volume has gradually increased until it is now running in some cases 40 per cent ahead of last year.

Indianapolis

Wholesale distribution of fine paper showed a 10 per cent drop in volume for 1933 over 1932. Material improvement was made during the latter part of the year, and sales thus far in 1934 show an increase of 25 per cent over a similar period of 1933. Staple lines, such as bond and ledger paper, represent the bulk of the sales, as the fancy papers for direct mail advertising are still at a rather low ebb. Prices remain firm and no immediate increase is looked for.

Kansas City

Sales of paper during the first quarter of the current year showed an increase in the aggregate of about 40 per cent over the same period a year ago. The best-selling items are wrapping paper, paper bags, napkins, and cheaper lines of print paper. However, sales to the printing trade have been larger the last six months than for some time in the past.

Minneapolis

The wholesale paper trade is reporting sales 30 to 50 per cent above those of a year ago, which were abnormally low. The demand is fairly well distributed as between various types of paper. There is no production of consequence in the Twin Cities, but mills in northern Minnesota are reported operating to a good percentage of capacity. Prices are holding satisfactorily, and reasonable optimism is expressed as to future trends.

Portland, Ore.

Volume of pulp and paper production in this territory is substantially ahead of a year ago, and is maintaining the pace set by general industrial recovery. Specialties are moving in volume as high as 100 per cent over a year ago. General purpose wrapping papers, especially kraft, are in heavy demand.

Fruit wrappers are being ordered in volume quantities in anticipation of an unusually good yield in various Northwestern fruit districts.

Richmond

Production has shown a healthy increase during the past four weeks in most all kinds of paper, the output being 91 per cent of normal, as compared with 63 per cent for the previous four weeks. A considerable increase in the demand for print paper is expected, on account of the recent settlement of the printing code.

St. Louis

A recently completed survey of the paper trade in this vicinity indicates a marked improvement over the corresponding time a year ago. Manufacturers and wholesalers report their dollar sales to be from 7 to 10 per cent larger than for the same period of 1933. Unit volume is also indicated to have increased to some extent. This augmented volume of business may be attributed to the strengthened confidence of the buying public generally. Merchants are reported to be purchasing more freely and in broader varieties.

Seattle

Pulp and paper manufacturers in the Northwest report continued steady activity, which has caused mills to run to capacity for the past year. Prices, however, were subject to an increase in the Summer of 1933, but since have remained uniform. Employment has remained steady, and the prospects for the future are favorable.

Wholesalers and jobbers of paper report aggregate sales

amounting to 35 per cent better than for the same period a year ago. Printing paper has gained about 26 per cent, while wrapping paper is at least 45 per cent better than a year ago.

Number of Failures Reduced

By the final quarter of 1933, the financial condition of most members of the trade had improved sufficiently to bring bankruptcies almost to a halt, and despite the heavy rate of mortality during the early months of the year, the total set down for manufacturers was only 10, or an increase of 1 over 1932. Most of these failures were among the smaller mills, as the monetary loss totalled but \$1,944,189, against the all-time high of \$2,613,450 in 1932.

The distributive branch of the industry made a more favorable showing, as the number of failures fell to 16, or less than half that of 1932, and the involved liabilities dropped by nearly the same percentage, receding from \$1,034,347 to \$520,760. For the entire industry, the number of failures in 1933 was 26, against 44 in 1932, a decline of 40.9 per cent, while defaulted indebtedness was \$1,944,189, as compared with the record high of \$2,613,450 in 1932, a decline of 32.4 per cent.

The complete insolvency record of the paper industry since 1927, including January and February, 1934, as compiled by Dun & Bradstreet, Inc., shows:

Paper Manufacturers

Year	Number	Liabilities
1927.....	5	\$2,017,000
1928.....	5	816,900
1929.....	10	1,929,200
1930.....	3	821,226
1931.....	1	800,000
1932.....	9	2,613,450
1933.....	10	1,944,189
1934*	1	30,000

Paper Wholesalers and Retailers

Year	Number	Liabilities
1927.....	19	\$1,128,800
1928.....	20	495,707
1929.....	7	67,592
1930.....	14	210,300
1931.....	6	192,100
1932.....	35	1,034,347
1933.....	16	520,760
1934*	5	92,362

(*) January and February.

IMPROVEMENT IN PAINT TRADE GAINING MOMENTUM RAPIDLY

AT no time since 1930 has the outlook in the paint industry been crowded with so many auspicious indications of continued expansion. Although the forward movement started less than ten months ago, it already has reached such broad proportions that nearly all divisions now are sharing in the increased activity. During March, April, and May, which comprise the most active period for this trade, considerable outdoor work is expected to develop, including the rehabilitation of homes and farms.

The rural sections, with the aid of Federal relief programs, are planning to come into the market with renewed vigor, and with the doubling-up of families decreasing from month to month, more apartments and private dwellings are being reconditioned. Sales of both automobile and industrial paints are expected to show further wide gains during the next few months, with volume of Spring business placed conservatively at 50 per cent larger than in 1933.

The continuous uptrend of demand since November, which has been contrary to all seasonal experiences, is attributed chiefly to the large amount of business obtained from the various governmental projects. Many concerns report sales for January and February at 100 per cent above the level for the corresponding months of 1933, with about one-half of the business contributed by C.W.A. and P.W.A. activities and the balance due to the improvement in general business. Cognizance should not be lost of the fact, however, that comparisons are being made with the period in 1933 when the trade had reached

Aside from government-financed projects, heaviest orders have been for automotive and industrial paints and lacquers. Volume of Spring business placed at 50 per cent larger than in 1933. Sales of wallpaper up about 25 per cent. Further price advances in prospect. Failures reduced 25 per cent.

its nadir and covering for Spring needs was light, as no interest was being taken in merchandise, even when offered below the cost of production.

Production Forging Ahead

Entering 1933 at a level 40 per cent under that of 1931 and 25 per cent below that of 1932, sales of paint, varnish, and lacquer products by the 586 manufacturers reporting to the Bureau of Census rose above the comparative 1932 total in May and by December had surpassed the 1931 figures by nearly \$3,000,000. Sales of these manufacturers for the entire twelve months of 1933 increased to \$222,760,065 from \$203,323,315 in 1932, a gain of \$19,437,650, or 9.5 per cent.

Contrary to the usual seasonal custom, operating schedules were widened during late December and through January. Although February showed a slackening in the rate of increase, compared with a year ago output was 25 to 50 per cent higher, and March production was 50 to 75 per cent above that in the corresponding month of 1933. In a number of centers, plants now are running at capacity, in order to supply the expanding needs of the automobile, refrigerator, farm implement, hardware, radio, and furniture trades. Raw material inventories are two or three times larger than a year ago, stocks having been accumulated in anticipation of price increases and expand-

ing demand. Aside from the government-financed projects, the heaviest orders have been for automotive and industrial paints and lacquers, although sales to dealers have shown some improvement. Most retailers purchased heavily for stock during January and Feb-

ruary, whereas a year ago there was a complete absence of such buying. Retail outlets have not experienced any marked pick-up, as yet, and house paints, on the whole, are moving slowly from manufacturers to wholesalers. Some plants are devoting almost their entire attention to governmental work. Manufacturers generally are preparing for a continuance of operations during the balance of the year at a rate fully 25 per cent ahead of that of 1933.

Sales Up 20 to 45 Per Cent

With retailers, sales thus far this year have increased between 20 and 45 per cent, with each succeeding week showing a further improvement, and nothing but encouraging indications can be discerned for retailers in most lines. The increase in sales, which started abruptly in May, 1933, has continued irregularly but consistently, being bolstered largely by industrial buying, as distribution of house paints is only about 15 per cent higher than a year ago. Industrial paints have been the best sellers in the majority of districts, with enamels and flat paints following in the order named.

April sales were greater than in the first quarter by 20 per cent, with the best-selling items in the cheaper grades of paint, although a stronger demand was in evidence for furniture paints and enamels. The demand for the better grades

of materials definitely is on the increase, and more of the high-quality goods are expected to be sold during the Spring season than at any time in the last four years. In some sections of the Southwest, the rate of gain has not been comparable with that in other parts of the country, due to the depressed condition of the building industry and the comparatively small volume of repair work being done.

The higher costs of raw materials, not the least of which have been the advances in the quotations on linseed oil and zinc, have resulted in lifting the price level 20 to 25 per cent above that of a year ago. While the trend is decidedly upward, no abrupt mark-ups are in prospect for the immediate future, unless quotations on raw materials should rise suddenly or higher wage scales and reduced working hours should become operative for factories working under the code. Collections have been slow, particularly in the dealer end of the business, but there has been a gradual improvement, and current accounts are being taken care of in a generally satisfactory manner.

Wallpaper Demand Expanding

Consumer buying in the wallpaper division now is averaging about 25 per cent in excess of purchases made during the same period of the year preceding. There is a noticeable broadening of the demand for the higher grades of paper, indicating that owners of the better types of homes, who have deferred having work done in recent years, again are redecorating.

In fact, wallpaper is gaining in popularity and is being used in 90 per cent of the later constructed residences. Fabric effects in the lighter and milder color tones are at present the best sellers. Oil finishes permit repeated cleanings and offer a more practical covering than heretofore.

Production of wallpaper is running 50 per cent higher in some mills than at this time last year, and while output in dollar value

has made a larger gain than in units, the normal seasonal demand from April to June is expected to increase the latter figure. Wholesalers are stocking up, as their holdings have been light for almost three years, while current distribution has gained from 10 to 35 per cent, as compared with a year ago. Prices have stiffened, being from 5 to 10 per cent higher than in 1933, with further increases expected before the end of the season.

Atlanta

Manufacturers and jobbers of paints report an increase of 25 per cent in sales, as compared with the same period in 1933, with collections 15 per cent better and classed as satisfactory. No material advance in prices has occurred since the first of the year, but raw materials have gone up, and possibly prices will follow on finished products.

Baltimore

Following a generally depressed year, the production of paint and wallpaper manufacturers has increased steadily until the output is 50 per cent higher in some quarters

than the output at this time last year. Production has increased in dollar value more than in units, but the normal seasonal demand is expected to increase the latter figure.

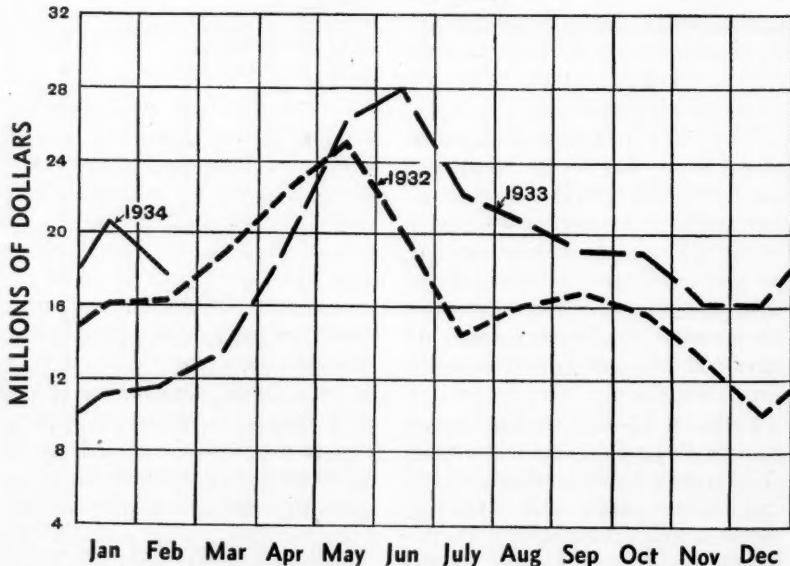
Wholesalers are stocking up and distribution to retailers and jobbers shows an increase of 10 to 35 per cent. The best-selling items are largely the cheaper grades of both paint and wallpaper, but lately a demand for furniture paints and enamels has been in evidence.

Cincinnati

The uptrend in paint sales, which started about May, 1933, and has continued irregularly but consistently, is attributed principally to industrial buying. Moreover, dealers having low inventories placed larger commitments in order to cover against advancing prices, which have since become more regular, although an increase in the cost of zinc and certain raw materials is expected.

Consumer buying in wallpaper division now is averaging about 25 per cent in excess of purchases made during the same period of the preceding year. A noticeable demand for higher-grade papers is evident.

SALES OF PAINT, VARNISH AND LACQUER PRODUCTS*
(586 Manufacturers)



(*) Based on statistics compiled by Bureau of Census. Starting with May, 1933, sales of paints each month rose above the comparative total of 1932 and by December had surpassed the 1931 figure by nearly \$3,000,000. Sales of these manufacturers for the entire twelve months of 1933 increased to \$222,760,065 from \$203,823,815 in 1932, a gain of \$19,437,650, or 9.5 per cent.

Cleveland

Paint manufacturing, an important industry in this section, has shown a sharp upturn since the Spring of 1933. Leading concerns in the line closed their fiscal years with a profit resulting from improved volume as well as better selling prices. Sales during the Summer and Fall months increased between 10 and 20 per cent, due to public and civil works projects, the upturn in the automotive industry, and improved industrial demand.

Wallpaper business has been at a low level for some time, due to lack of new construction and reluctance on the part of building owners to redecorate. There has been a moderate improvement, however, and outlook for Spring is better than for several years.

Dallas

The sale of paint and wallpaper continues at an unsatisfactorily low level, although, due to the 15 per cent increase in prices, the volume is moderately ahead of this period last year. The lack of improvement is attributed to the depressed condition of the building industry and the comparatively small volume of repair work being done. The demand for the better grade of merchandise is increasing. The best part of the business seems to be coming from the country districts.

Detroit

There was a seasonal slackening in the movement of paints during the first quarter, but a steady increase in retail sales is expected, as the early opening of Spring trade gave further stimulation to wholesale buying. Manufacturers are preparing for a continuance of the 25 per cent increase in demand over a year ago.

Prices have been raised in all paint and color products fully 15 per cent. Liberal purchases continue to be made in the industrial fields, but house paints still are below the average levels of pre-depression years. Wholesale orders for paints, varnishes and enamels are ranging from 40 to 50

per cent better than last year at the same time.

Kansas City

It is claimed that the general change in sales totals over 1933 is 30 to 40 per cent. Prices have advanced considerably, with prospects for still further increases. There is a wide movement to replace considerable wornout property and old buildings, which is encouraging the local trade.

Omaha

With about twenty wholesale distributors, this is an important distribution center for paints, varnishes, wallpaper and allied products. Demand has been featured by industrial paints, as a result of the large amount of business obtained in the past ninety days from various Federal projects.

Many concerns report sales as showing an increase of 100 per cent, as compared to the same months in 1933. Price increases recently effective have resulted in an advance of 20 to 25 per cent, as compared with the same period twelve months ago.

Portland, Ore.

The volume of paint sales in this vicinity is from 60 to 70 per cent over a year ago. Federal work has stimulated private enterprise, and there is a noticeable tendency toward the refinishing of exteriors. The development of a synthetic enamel has, to some degree, replaced the use of the more expensive lacquers on interior work, and application by spray-gun is becoming more general.

Richmond

There has been considerable improvement in both paint and wallpaper sales since the first of the year. Prices have advanced from 5 to 10 per cent on regular established brands, while other lines are becoming firmer. Much of the business, especially sales to the government, was taken at a very small profit. Inside paint is the best seller, while enamels and flat paints are in good demand.

Seattle

Wholesalers of paint and wallpaper in the Pacific Northwest claim that sales during the first four months of 1934 were between 40 and 50 per cent greater than for the same period of 1933. This is due, perhaps, to the fact that January and February of 1933 were the poorest months experienced by this trade. Paints, alone, are responsible for a large percentage of the increase, but wallpaper is showing more activity and has been in steady demand.

Failure Reduction Small

Although only half as many paint manufacturers went into bankruptcy in 1933 as during the year preceding, and the reduction in the involved liabilities was nearly as large, failures among wholesalers and retailers were only 15 fewer than in 1932, while the defaulted indebtedness rose. For both divisions of the trade, insolvencies in 1933 numbered 118, against 158 in 1932, a drop of only 40, or 25.3 per cent, while the money loss which these failures entailed in 1933 decreased to \$2,250,275, from \$2,787,275 in 1932, merely \$537,000, or 19.3 per cent. During the first two months of the current year, however, both the number of failures and the liabilities were sharply below those for the comparative months of 1933.

The complete insolvency record of the paint trade since 1927, including the first two months of the current year, as compiled by Dun & Bradstreet, Inc., shows:

Manufacturers of Paint

Year	Number	Liabilities
1927.....	11	\$261,600
1928.....	13	272,575
1929.....	21	336,003
1930.....	20	1,152,556
1931.....	26	2,592,024
1932.....	45	1,453,839
1933.....	20	840,626
1934*.....	4	53,291

Wholesalers and Retailers of Paint

Year	Number	Liabilities
1927.....	85	\$932,229
1928.....	84	791,019
1929.....	91	5,650,373
1930.....	116	1,843,693
1931.....	109	1,546,173
1932.....	113	1,333,436
1933.....	98	1,410,649
1934*.....	10	103,777

(*) January and February, inclusive.

APRIL FAILURES REDUCED 45.2 PER CENT FROM 1933

BUSINESS failures in the United States in April, both in the number and liabilities, touched another low point. The records of Dun & Bradstreet, Inc., show for that month 1,052 business defaults, for which the total indebtedness was \$25,786,975. With the exception of the short month of February this year, when the number of insolvencies reported was 1,049, there was no month since January, 1920, in which failures were so low in number.

In March of this year there were 1,102 business defaults, while for April a year ago there were 1,921 similar bankruptcies. At that time, the tendency in the matter of these unfortunate occurrences was decidedly toward a lower level, as to the number. Business failures for two or three years prior to April of last year had been very numerous and involved unusually large financial losses.

For April, 1932, and 1931, the number was, respectively, 2,816 and 2,383. In both instances, the figures were the highest ever reported for that month. The decline for the month just closed from the figures for April, 1932,

was 1,764, equal to a reduction of 64.1 per cent, while the number of insolvencies in April this year was 869 less than a year ago, or 45.2 per cent lower.

Liabilities for the past month also were considerably reduced, compared with those of preceding months. The amount for April this year was \$25,786,975, against \$27,227,511 for March and \$51,097,384, in April a year ago. For February, the amount was especially low and for one or two months toward the close of 1933, liabilities were less than appeared for April this year.

With the exception of September and November, 1933, and

February, 1934, however, the total liabilities for April, 1934, were the lowest set down for any month since January, 1920. In April, 1932, when the number of defaults touched the peak level for that month, liabilities rose to \$101,968,693, establishing an all-time high.

Dun's Insolvency Index

The decline in April is clearly indicated by Dun's Insolvency Index. The figure for that month this year was 65.4, compared with 115.3 for that month a year ago and 158.0 in April, 1932. The latter figure was a high record for April. The Insolvency Index for the five-year period 1925-1929, inclusive, was 107.4, the April Insolvency Index this year showing a decline of 42 points.

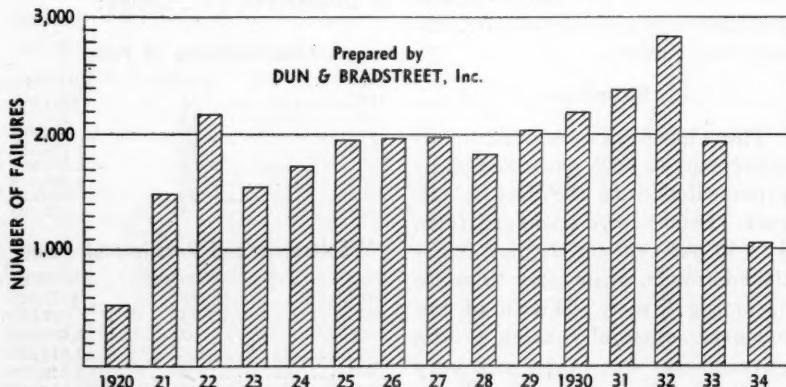
For the four months of 1934, Dun's Insolvency Index has averaged 73.5. This was very much lower than the average for either of the two preceding years; in fact, the Insolvency Index this year to date shows a marked reduction for that number in any year back to 1920. For the five years 1925-1929, inclusive, the average for the first four months of the year was 121.4, the reduction for 1934 being 47.9 points.

Dun's Insolvency Index has been at an unusually low point

DUN'S INSOLVENCY INDEX Ratio of Commercial Failures to Each 10,000 Business Concerns

	Monthly					5-Year Average	Monthly	
	1934	1933	1932	1931	1930		1922	1921
January	82.5	179.4	201.8	188.4	150.2	139.5	160.0	173.7 126.2
February	71.9	159.0	165.9	169.0	146.7	128.2	147.0	168.7 128.4
March	64.2	111.4	159.7	146.0	128.4	110.4	126.6	144.8 98.1
April	65.4	115.3	158.0	134.1	125.0	107.4	123.0	137.3 93.8
May .....	....	113.9	162.0	131.7	119.9	104.5	119.8	124.4 88.5
June .....	....	99.9	155.2	112.4	114.4	100.8	115.6	105.4 82.7
July .....	....	90.4	156.3	112.1	112.4	95.7	109.7	110.4 98.6
August .....	....	86.7	155.5	111.3	105.7	90.9	104.2	93.4 99.8
September .....	....	71.0	132.1	114.0	112.9	87.2	100.0	98.7 93.4
October .....	....	76.6	137.8	134.7	117.0	90.2	103.8	109.8 94.5
November .....	....	82.1	130.9	141.2	127.0	107.1	122.8	112.3 108.8
December .....	....	74.0	145.3	158.8	140.7	112.0	128.3	114.0 159.6
Year.....	....	103.6	153.3	133.4	120.7	105.6	....	119.4 102.0

RECORD OF APRIL FAILURES



Reduced to a total of 1,052, the number of failures recorded for April was the lowest set down for that month since 1920, and the lowest for any month since January, 1920, with the exception of February this year. The reduction from April, 1933, amounts to 45.2 per cent, and 62.6 per cent from April, 1932.

now for nearly a year. Following the rehabilitation of the banks a year ago, business failures showed a marked decline in number and liabilities. The reduction continued into this year. There was something more than the seasonal variation throughout most of this time. The March Insolvency Index was at the low point. The slight advance for April, although failures in that month were a trifle lower in number than for March, was due to the changes in the number of business concerns.

Geographical Divisions

Separated by geographical divisions, the April report of business failures makes a generally favorable showing, in comparison with last year's return. In four of the twelve Federal Reserve Districts the number of defaults this year was less than one-half of that reported in April, 1933.

These four districts were Phila-

Districts	Number			Liabilities		
	1934	1933	1932	1934	1933	1932
Boston (1).....	100	196	265	\$1,870,682	\$5,602,331	\$6,353,206
New York (2).....	249	475	707	8,810,733	16,493,266	30,903,154
Philadelphia (3).....	44	118	173	2,055,255	5,081,377	10,568,121
Cleveland (4).....	92	182	212	3,327,769	6,008,397	8,027,465
Richmond (5).....	59	98	143	672,432	1,449,006	8,036,214
Atlanta (6).....	76	73	123	1,016,110	1,401,400	2,080,171
Chicago (7).....	153	258	432	4,242,326	7,982,100	14,821,486
St. Louis (8).....	24	68	151	305,505	906,043	5,599,920
Minneapolis (9).....	36	64	65	403,582	578,051	1,045,612
Kansas City (10).....	33	121	140	261,170	1,479,485	4,170,787
Dallas (11).....	31	65	82	425,029	852,051	1,732,916
San Francisco (12).....	155	203	323	2,395,782	3,173,877	7,699,641
Total United States.....	1,052	1,921	2,816	\$25,786,975	\$51,097,384	\$101,068,693

April, 1934

Districts	Manufacturing		Trading		Other Com'l	
	No.	Liabilities	No.	Liabilities	No.	Liabilities
First.....	38	\$735,331	51	\$503,676	11	\$631,675
Second.....	65	4,252,252	153	2,212,699	31	2,345,782
Third.....	13	1,077,894	26	750,567	5	226,794
Fourth.....	23	1,057,819	62	1,461,740	7	808,210
Fifth.....	16	331,575	39	316,882	4	23,975
Sixth.....	23	404,821	48	573,231	5	38,058
Seventh.....	45	1,227,713	91	2,141,006	17	873,517
Eighth.....	7	77,670	18	224,869	1	2,966
Ninth.....	5	65,584	30	336,698	1	1,300
Tenth.....	5	48,526	23	167,120	5	45,524
Eleventh.....	4	89,428	27	336,201	..	..
Twelfth.....	37	931,183	103	1,143,562	15	321,037
Total U. S.	281	\$10,299,796	669	\$10,168,341	102	\$5,318,838
April, 1933....	422	\$18,736,800	1,352	\$25,954,034	147	\$6,406,550
April, 1932....	641	\$43,138,172	2,606	\$41,736,272	169	\$16,194,239

ratio to the total for these four Federal Reserve Districts in April

marked improvement over a year ago. Liabilities, too, were very much smaller in each of the twelve Federal Reserve Districts than they were in April, 1933. The improvement was marked in the report for trading failures this year.

The only increase shown for April this year in the compilation by Federal Reserve Districts was in Atlanta, where failures numbered 76, against 73 for April, 1933.

Analysis of Failures by Liability Groups for April

	Number		1934		1933	
	1934	Ratio	1933	Ratio	Total	Average
Under \$5,000.....	429	40.8	710	37.0	\$1,139,326	\$2,656
\$5,000 to \$25,000..	442	42.0	823	42.8	4,897,171	11,080
\$25,000 to \$100,000	129	12.3	271	14.1	6,159,467	47,748
\$100,000 and Over.	52	4.9	117	6.1	13,591,011	261,366
Total	1,052	100.0	1,921	100.0	\$25,786,975	\$24,512
						\$51,097,384
						\$26,599

adelphia, St. Louis, Kansas City, and Dallas.

There were other sections in which the failures last month were considerably reduced, as compared with the same record for April, 1933. These include the Boston, Cleveland, and the Minneapolis Federal Reserve Districts.

In New England, which practically covers the Boston Federal Reserve District, New York, Chicago, and San Francisco districts, there were 657 business failures last month, compared with 1,132 in the same month last year. The reduction this year was large, amounting to 475 in number, or 42 per cent less.

In these four Federal Reserve Districts, the business defaults last month constituted 62.5 per cent of all business failures in the United States in that month. The

of last year was 53.7 per cent. The comparison this year shows a

Failures in Specified Cities in the United States—April

City	Fed. Res.	Dist.	Pop.	Failures			Failures
				April, 1934	No.	Liabilities	April, 1933
Baltimore		5	804,874	19	363,921	18	\$142,000
Boston		1	781,188	18	247,741	24	1,046,709
Buffalo		2	573,076	10	427,367	19	149,637
Chicago		7	3,376,438	53	2,522,200	74	3,781,600
Cincinnati		4	451,160	5	121,854	13	730,112
Cleveland		4	900,429	18	359,612	33	671,955
Detroit		7	1,568,662	12	200,135	25	924,857
Indianapolis		7	364,161	2	17,961	3	15,800
Jersey City.....		2	316,718	6	162,322	8	123,521
Kansas City, Mo.....		10	399,746	..	..	11	48,737
Los Angeles.....		12	1,238,048	32	1,206,142	36	910,783
Louisville		8	307,745	..	..	4	134,000
Milwaukee		7	578,249	13	217,579	17	226,220
Minneapolis		9	464,356	7	64,055	14	107,268
Newark		2	442,337	13	249,550	13	523,821
New Orleans.....		6	458,762	2	10,558	1	2,580
New York City		2	6,930,446	153	4,307,179	294	10,993,565
Philadelphia		3	1,950,961	17	1,167,926	37	2,071,863
Pittsburgh		4	669,817	5	208,665	14	905,719
Portland, Ore.....		12	301,815	7	74,760	16	65,929
Rochester		2	328,132	3	23,030	3	16,000
St. Louis.....		8	821,960	6	47,883	9	138,508
San Francisco.....		12	634,394	13	255,224	21	459,459
Seattle		12	365,583	12	72,113	20	163,441
Washington, D. C.....		5	486,869	7	38,790	1	14,500
Total	433	\$12,366,567	728	\$24,368,584

Branches of Business

Failures in April show a marked reduction in each of the three leading classes into which the figures are separated. Relatively, the best showing in the comparison with the report for April, 1933, is for the large trading division. For the month just closed, there were 669 defaults in trading lines, involving \$10,168,341 of liabilities. These figures compare with 1,352 trading failures in April, 1933, for \$25,954,034 of indebtedness.

The ratio of the trading defaults to all insolvencies last month was 63.5 per cent. A year ago the ratio of trading failures to the total of all defaults was 70.4 per cent. Failures in manufacturing lines last month numbered 281, owing a total of \$10,299,796. The same figures for April, 1933, were 422 involving \$18,736,800 of indebtedness. In the third division, mainly, agents and brokers, there were 102 defaults, against 147 a year ago, and \$5,318,838 of liabilities last month, compared with \$6,406,550 in April of last year.

	1934	
April	Number	Liabilities
Manufacturers	281	\$10,299,796
Traders:		
Retail	501	8,874,039
Wholesale	78	1,204,302
Agents and Commercial Ser..	102	5,318,838
United States.....	1,052	\$25,786,975

	1933	
April	Number	Liabilities
Manufacturers	422	\$18,736,800
Traders:		
Retail	1,224	22,129,899
Wholesale	128	3,824,185
Agents and Commercial Ser..	147	6,406,550
United States.....	1,921	\$51,097,843

The classification of the April failures by divisions of industry makes an interesting exhibit. The vast reduction that has taken place since April of last year is shown, for example, in the manufacturing lines, where numerical decreases were shown for all but the paint division. The money involved was in excess of last April's total in six of the twenty-one lines, but substantial declines in the fifteen remaining groups counterbalanced these gains to the extent of \$8,437,004.

Failures by Divisions of Industry—April, 1934

MANUFACTURERS	Number		Liabilities	
	Apr., 1934	Apr., 1933	Apr., 1934	Apr., 1933
Foods	19	24	\$1,353,920	\$954,389
Milling and Bakers.....	27	32	418,649	347,142
Chemicals and Drugs.....	3	8	30,565	301,720
Clothing and Furnishings.....	12	18	385,843	473,806
Textiles (Other).....	14	30	198,867	810,409
Hats, Gloves and Furs.....	12	17	114,239	227,208
Shoes and Leather.....	7	13	85,737	420,966
Paints	3	2	193,810	39,000
Rubber Goods.....	..	..	.....	.....
Tobacco and Beverages.....	5	9	70,371	178,973
Furniture	4	8	283,941	396,000
Lumber and Building Lines.....	32	36	1,354,099	3,221,811
Machinery	8	22	382,786	2,681,801
Transportation Equipment.....	10	19	2,304,272	554,476
Iron and Steel.....	45	55	1,046,034	3,063,766
Non-Ferrous Metals.....	10	10	155,307	77,473
Petroleum and Coal.....	3	10	195,639	587,056
Printing and Publishing.....	10	33	126,453	1,409,636
Paper and Paper Products.....	3	7	671,259	86,760
Stone, Clay and Glass.....	13	17	194,066	974,889
All Other.....	41	52	733,939	1,929,519
Total Manufacturers.....	281	422	\$10,299,796	\$18,736,800
RETAIL DEALERS				
General Stores.....	20	69	\$277,885	\$793,441
Grocers, Meat and Fish.....	171	272	1,271,529	2,637,618
Clothing and Furnishings.....	52	157	445,889	2,011,395
Dry Goods and Department Stores.....	30	79	305,401	1,648,268
Hats, Gloves and Furs.....	9	16	63,616	103,361
Leather and Shoes.....	26	59	356,570	601,295
Furniture	16	41	113,508	1,001,466
Lumber and Building Materials.....	11	14	167,228	411,918
Chemicals and Drugs.....	52	114	553,717	3,991,245
Paints	6	10	43,794	63,688
Tobacco, Billiards and Beverages.....	12	15	243,123	97,658
Paper and Paper Products.....	6	12	146,579	116,382
Books and Periodicals.....	4	7	42,288	576,506
Rubber Goods.....	3	11	16,464	128,749
Jewelry	11	37	202,949	1,153,078
Machinery	10	30	66,152	521,543
Non-Ferrous Metals.....	..	..	.....	.....
Hardware and Tools.....	30	49	466,476	484,800
Iron and Steel.....	4	9	76,527	196,795
Hotels and Restaurants.....	54	65	2,315,541	2,143,321
Petroleum and Coal.....	17	34	431,215	899,846
Stone, Clay and Glass.....	5	5	359,340	218,783
Transportation Equipment.....	20	50	519,587	1,392,582
All Other.....	22	69	388,661	936,161
Total Retail Dealers.....	591	1,224	\$8,874,039	\$22,129,890
WHOLESALE DEALERS				
Books and Periodicals.....	..	2	.....	\$48,578
Chemicals and Drugs.....	..	1	.....	4,500
Furniture	1	..	\$40,000	.....
Lumber and Building Lines.....	4	3	129,685	70,397
Groceries, Meat and Fish.....	39	48	593,786	1,187,132
Iron and Steel.....	1	11	5,400	796,027
Leather and Shoes.....	1	3	27,587	120,000
Machinery	1	6	6,993	129,767
Non-Ferrous Metals.....	1	6	15,000	621,249
Paints	1	4	9,000	33,300
Paper and Paper Products.....	2	8	9,250	304,028
Petroleum and Coal.....	3	9	76,600	156,859
Rubber Goods.....	..	4	.....	28,925
Stone, Clay and Glass.....	1	1	30,000	8,000
Clothing and Furnishings.....	..	4	.....	52,136
Dry Goods.....	4	3	76,954	24,076
Transportation Equipment.....	6	7	50,460	63,164
All Other.....	13	8	223,587	175,997
Total Wholesale Dealers.....	78	128	\$1,294,302	\$3,824,135
AGENTS AND COMMERCIAL SERVICE				
Advertising	3	6	\$91,921	\$81,426
Brokers (Investment).....	1	8	551,965	795,347
Cleaners	10	7	114,108	63,995
Garages	12	21	110,345	471,074
Hauling	15	22	390,991	232,716
Insurance and Real Estate.....	25	40	2,040,476	3,178,507
Laundries	3	8	85,372	245,380
Taxicab Companies.....	3	1	35,345	60,000
Undertakers	4	4	27,086	48,166
All Other.....	26	30	1,870,329	1,229,939
Total Agents & Commercial Ser.	102	147	\$5,318,838	\$6,406,550
Total United States.....	1,052	1,921	\$25,786,975	\$51,097,384

Failures by Branches of Business—April, 1934

	Number			Liabilities		
	1934	1934	1933	1934	1934	1933
	April	March	April	April	March	April
MANUFACTURERS						
Iron, Steel and Foundries....	18	12	31	\$432,948	\$438,707	\$1,458,971
Machinery and Tools....	20	21	35	2,804,047	720,279	1,408,043
Woolens, Carpets, etc....	1	1	5	89,585	1,700,000	189,483
Cottons and Lace....	1	..	4	11,856	.....	61,078
Lumber and Building Lines....	36	40	44	1,638,040	2,599,700	3,617,811
Clothing and Furnishings....	12	15	18	355,843	369,193	473,406
Hats, Gloves and Furs....	12	6	17	114,239	114,400	227,208
Chemicals and Drugs....	3	4	8	30,565	40,111	301,720
Paints....	3	2	2	193,810	124,416	39,000
Printing and Engraving....	10	16	33	126,453	508,699	1,400,636
Milling and Bakers....	27	17	32	418,649	338,302	347,142
Leather and Shoes....	7	19	13	85,737	339,243	420,966
Tobacco....	5	6	9	70,371	44,906	178,973
Stone, Clay and Glass....	13	17	17	194,066	1,098,868	974,889
All Other....	113	125	154	3,704,087	3,812,565	7,628,474
Total Manufacturing....	281	301	422	\$10,299,796	\$12,239,398	\$18,736,800
TRADERS						
General Stores....	20	23	69	\$277,885	\$457,197	\$793,441
Groceries, Meat and Fish....	210	196	320	1,865,315	1,991,049	3,524,750
Hotels and Restaurants....	54	60	65	2,315,541	615,136	2,143,321
Tobacco....	12	8	15	248,123	517,483	97,658
Clothing and Furnishings....	52	65	161	445,889	854,553	2,068,531
Dry Goods and Carpets....	34	43	82	382,355	1,019,613	1,672,344
Shoes and Luggage....	27	28	62	384,157	210,315	721,295
Furniture and Crockery....	18	31	48	154,938	387,808	1,226,321
Hardware, Stoves and Tools....	32	41	57	482,440	813,981	620,735
Chemicals and Drugs....	52	60	115	555,717	765,571	3,995,745
Paints....	7	8	14	52,794	46,618	96,988
Jewelry and Clocks....	11	16	37	202,949	245,748	1,153,078
Books and Papers....	12	14	19	198,117	216,465	687,413
Hats, Gloves and Furs....	9	8	16	63,616	17,401	103,361
All Other....	119	94	272	2,543,510	1,948,387	7,054,053
Total Trading....	669	695	1,352	\$10,168,341	\$10,107,625	\$25,954,084
Other Commercial....	102	106	147	5,318,838	4,880,488	6,406,550
Total United States....	1,052	1,102	1,921	\$25,786,975	\$27,227,511	\$51,097,384

Large and Small Failures—April

MANUFACTURING

Total	\$100,000 & More		Under \$100,000		Average	
	No.	Liabilities	No.	Liabilities		
1934....	281	\$10,299,796	22	\$6,193,583	259	\$4,106,213
1933....	422	18,736,800	50	11,274,015	372	7,462,785
1932....	641	43,138,172	72	32,028,231	569	11,109,941
1931....	515	18,719,144	42	12,032,125	473	6,687,019

TRADING

1934....	669	\$10,168,341	15	\$3,596,193	654	\$6,572,148	\$10,049
1933....	1,352	25,954,084	37	9,761,239	1,315	16,192,795	12,314
1932....	2,006	41,736,272	62	17,474,446	1,944	24,261,826	12,480
1931....	1,710	26,386,171	37	7,443,520	1,673	18,942,651	11,323

ALL COMMERCIAL

1934....	1,052	\$25,786,975	52	\$13,591,011	1,000	\$12,195,964	\$12,196
1933....	1,921	51,097,384	117	26,159,378	1,804	24,938,006	13,824
1932....	2,816	101,068,693	161	62,483,222	2,655	38,585,471	14,533
1931....	2,383	50,868,135	91	23,336,402	2,292	27,581,733	12,012

Large and Small Failures—March

MANUFACTURING

Total	\$100,000 & More		Under \$100,000		Average	
	No.	Liabilities	No.	Liabilities		
1934....	301	\$12,239,398	26	\$7,562,665	275	\$4,676,733
1933....	462	17,582,887	34	9,433,401	428	\$8,149,486
1932....	642	31,293,421	76	21,049,881	566	10,243,540
1931....	582	24,072,069	33	16,112,844	542	7,959,225

TRADING

1934....	695	\$10,107,625	16	\$2,828,180	679	\$7,279,445	\$10,721
1933....	1,336	23,204,442	41	8,239,589	1,295	14,964,853	11,556
1932....	2,108	44,117,955	50	17,327,965	2,058	26,789,990	13,017
1931....	1,843	30,847,959	41	9,049,260	1,802	21,298,699	11,819

ALL COMMERCIAL

1934....	1,102	\$27,227,511	57	\$13,927,815	1,045	\$13,299,696	\$12,727
1933....	1,948	48,500,212	93	22,467,109	1,855	26,033,103	14,034
1931....	2,604	60,386,550	88	28,644,002	2,516	31,742,548	12,616
1932....	2,951	98,760,311	156	50,518,378	2,795	43,241,933	15,471

Among retailers, the number was 591, or 51.7 per cent under the 1,224 failures for April, 1933. Liabilities were lowered in nineteen of the twenty-four divisions, bringing the aggregate well below the figures for the same period of last year. Quite a drop also was registered for the wholesale dealers, the number being 50, or 39.1 per cent lower, and the monetary loss was \$2,529,833 under the \$3,824,135 recorded in April, 1933, bringing the total down to \$1,294,302.

Monthly and Quarterly Failure Figures

	Number			Liabilities
	1934	1933	1932	
April	1,052	1,921	2,816	\$25,786,975
March	1,102	1,948	2,951	\$27,227,511
February	1,049	2,378	2,782	19,444,718
January	1,364	2,919	3,458	32,905,428
1st Quarter....	3,515	7,245	9,141	\$79,577,657
1933 1932 1931 1930	1,933	1,932	1,931	1930
December	1,132	2,469	2,758	\$27,200,482
November	1,237	2,073	2,195	25,353,376
October	1,206	2,273	2,362	30,581,970
4th Quarter....	3,575	6,815	7,315	\$83,135,778
September	1,116	2,182	1,936	\$21,846,906
August	1,472	2,796	1,944	42,776,049
July	1,421	2,596	1,988	27,481,103
3rd Quarter....	4,009	7,574	5,863	\$92,104,058
June	1,648	2,688	1,903	\$35,344,909
May	1,908	2,788	2,248	47,971,573
April	1,921	2,816	2,383	51,097,384
2nd Quarter....	5,478	8,292	6,624	\$134,413,886
March	1,948	2,951	2,604	\$48,500,212
February	2,378	2,732	2,563	65,576,068
January	2,919	3,458	3,316	79,100,602
1st Quarter....	7,245	9,141	8,483	\$193,176,882
1932 1931 1930 1929	1,932	1,931	1,930	1929
December	2,469	2,758	2,525	\$64,188,643
November	2,073	2,195	2,031	53,621,127
October	2,273	2,362	2,124	52,869,974
4th Quarter....	6,815	7,315	6,680	\$170,670,744
September	2,182	1,936	1,963	\$56,127,634
August	2,796	1,944	1,913	77,031,212
July	2,596	1,982	2,028	87,189,639
3rd Quarter....	7,574	5,863	5,004	\$220,348,485
June	2,688	1,993	2,026	\$76,981,452
May	2,788	2,248	2,179	83,763,521
April	2,816	2,383	2,198	101,068,693
2nd Quarter....	8,292	6,624	6,403	\$261,763,666
March	2,951	2,604	2,347	\$98,760,311
February	2,732	2,563	2,262	84,900,106
January	3,458	3,316	2,759	96,860,205
1st Quarter....	9,141	8,483	7,365	\$275,520,622
In the Other Commercial class, there was a drop of 30.6 per cent in the number of failures, in comparison with the figures for April, 1933, and the indebtedness was lowered by \$1,087,712.				

APRIL BANK CLEARINGS REACH TWO-YEAR HIGH

BANK clearings in April were the largest for any month since January, 1932. There was a considerable increase in the amount for the month just closed over that for March, as well as for the clearings in January this year. For both of the months last mentioned, the report covers one or two more business days than in April. That condition under ordinary circumstances would add to the bank clearings for those two months. The large increase over April of last year was to be expected, in view of conditions prevailing at that time, but there also was a substantial increase over the April clearings of two years ago.

All differences as to the number of days in the various months are eliminated in the average daily record of bank clearings and these figures show an increase for April over that month last year of 50.0 per cent. The increase over April two years ago was 16.8 per cent. Some allowance should be made in both of these comparisons for the

Bank Clearings *			Per Cent
1934	1933		
April ...	\$924,721,000	\$616,347,000	+50.0
March ...	746,923,000	569,826,000	+31.1
Feb.	865,128,000	776,512,000	+11.4
Jan.	777,736,000	744,680,000	+ 0.4
1933			1932
Dec.	\$745,851,000	\$732,163,000	+ 1.8
Nov.	758,019,000	678,686,000	+11.7
Oct.	778,720,000	751,537,000	+ 3.6
Sept.	728,235,000	755,762,000	- 4.0
Aug.	713,987,000	685,932,000	+ 4.1
July	899,046,000	712,181,000	+26.2
June	823,911,000	748,633,000	+10.1
May	723,052,000	729,342,000	- 0.9

* Average daily clearings each month.

higher prices prevailing this year. April clearings exceed those of March this year by 23.1 per cent, and are higher than those of January by 18.9 per cent.

In the last two comparisons, the decided improvement in April is clearly shown. Under normal conditions, bank clearings in January are the highest of the year. A decline from January to April of the same year should amount to fully 5 or 6 per cent. Conditions in January of this year, however, were below normal.

Clearings in April also may show some recession from those of March. In the comparison covering the years 1932 and 1933, there were only two or three months in which bank clearings approached those for April this year, and two of these months were February in this year and July, 1933. Some larger movement in the speculative markets brought about the heavier clearings in those two months. Nothing of that kind contributed to the increase in bank clearings in April.

Bank clearings for the first part of May rose above the level of the week preceding, but the amount at many of the cities reporting continues substantially higher than the restricted total of a year ago. The figures for the week at the leading centers in the United States were \$5,623,741,000, or 23.6 per cent larger than those for the same week of last year. At New York City, clearings were \$3,984,718,000, a gain of 20.7 per cent, while the total of \$1,639,023,000 for all centers outside of New York was higher by 31.2 per cent.

Figures for leading cities, compared with those of last year, are printed herewith:

	Week April 4, 1934	Per Cent	Week April 11, 1934	Per Cent	Week April 18, 1934	Per Cent	Week April 25, 1934	Per Cent	
Boston	\$192,098	+ 7.5	\$202,991	+45.0	\$232,900	+74.4	\$187,355	+ 1.9	
Philadelphia	276,000	+ 4.2	288,000	+49.2	333,000	+80.9	300,000	+48.3	
Baltimore	52,935	+21.1	53,430	+68.3	54,775	+66.6	49,600	+57.6	
Pittsburgh	81,897	+15.0	81,443	+41.1	93,485	+50.5	86,127	+37.0	
Buffalo	26,100	+ 8.3	26,100	+31.3	28,100	+24.9	26,200	+84.4	
Chicago	219,600	+23.7	217,500	+46.3	244,300	+55.8	223,800	+29.0	
Detroit	73,131	.....	61,847	.....	78,306	.....	73,629	.....
Cleveland	56,749	+55.8	54,158	+63.8	65,264	+62.9	59,606	+51.4	
Cincinnati	47,131	+ 5.5	39,446	+19.7	46,757	+45.3	40,395	+33.5	
St. Louis	56,800	+12.0	62,900	+27.1	68,600	+28.0	67,300	+36.5	
Kansas City	63,039	+41.2	59,003	+28.7	70,743	+36.6	66,497	+35.6	
Omaha	29,230	+85.3	27,449	+66.1	26,020	+48.6	23,986	+50.4	
Minneapolis	44,670	+11.7	45,297	+18.4	51,708	+20.8	48,824	+ 8.5	
Richmond	24,243	+15.8	29,979	+19.3	28,302	+29.0	27,792	+20.8	
Atlanta	35,600	+36.4	35,400	+45.7	41,800	+44.1	38,700	+65.0	
Louisville	21,828	+42.0	21,748	+30.7	27,256	+60.5	21,048	+41.1	
New Orleans	21,265*	.....	21,859*	.....	25,303*	.....	21,044*	.....
Dallas	29,192	+31.1	30,620	+42.7	40,538	+64.4	32,046	+42.1	
San Francisco	100,346	+15.6	95,235	+24.0	114,800	+32.7	114,200	+28.3	
Portland	21,185	+34.0	18,762	+35.5	23,700	+57.4	20,740	+49.8	
Seattle	20,174	+11.6	20,652	+30.4	25,073	+25.2	22,638	+19.4	
Total	\$1,471,948	+22.1	\$1,466,955	+45.6	\$1,695,427	+61.0	\$1,530,483	+27.1	
New York	3,858,255	+ 8.8	4,253,594	+86.7	4,295,704	+92.1	3,439,466	+24.6	
Total U. S.	\$4,830,183	+12.6	\$5,720,549	+74.1	\$5,991,181	+82.1	\$4,969,949	+28.2	

Note—Clearings reported in millions and thousands (000 omitted throughout). Percentage shows increase or decrease compared with the figures of the same week in 1933. (*) Omitted from totals.

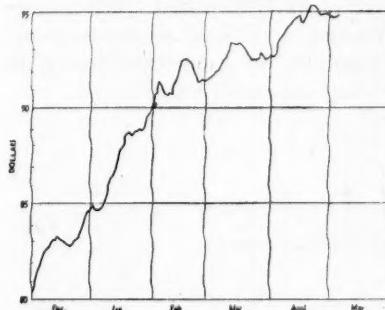
Week May 2, 1934	Week May 3, 1933	Per Cent
<u>000 omitted</u>		
Boston	\$211,824	\$218,497
Philadelphia	312,000	227,000
Baltimore	54,811	36,564
Pittsburgh	102,699	68,136
Buffalo	27,700	23,600
Chicago	280,400	197,400
Detroit	87,306	7,236
Cleveland	62,794	46,581
Cincinnati	42,629	32,430
St. Louis	67,900	54,100
Kansas City	69,706	53,638
Omaha	24,917	18,602
Minneapolis	51,567	47,802
Richmond	26,196	22,308
Atlanta	35,300	30,000
Louisville	21,978	15,646
New Orleans	23,034*	.....
Dallas	30,492	22,501
San Francisco	116,000	92,800
Portland	18,859	15,644
Seattle	20,911	18,600
Total	\$1,659,023	\$1,249,085
New York	3,984,718	3,301,487
Total U. S.	\$5,623,741	\$4,550,572

SHARE TRADING SMALLEST SINCE FEBRUARY, 1933

by GEORGE RAMBLES

DEALINGS in securities on the New York exchanges during April reflected to an extraordinary degree the varying influences of current and prospective political action. Although almost all business indicators were favorable, this usually important factor played only a small rôle in the developments of the stock and bond markets. Traders and investors were inclined to disregard the persistent upward tendency of steel making, carloadings, electric consumption, and similar indices. They concentrated rather upon the legislative mills at Washington and Albany and the never-ending investigations. The depressing influence of the political scene was quite apparent on all occasions.

BOND PRICES*



(*) Based on statistics compiled by Dow, Jones & Co., publishers of "The Wall Street Journal." Prices of high-grade bonds were well maintained, particularly U. S. Government securities. The par value turnover in April advanced to \$362,200,000.

Share quotations on the New York Stock Exchange tended to improve modestly in the first three weeks of April. The movement was hesitant, however, and the gains were so modest at times as to be hardly perceptible. The threat of exchange control legislation at Washington made the market a dull affair. In the final week, a sharp recession developed in virtually all parts of the market, with

the result not only that all gains were erased, but that stock averages for the month reflected a net loss. To some degree this movement was directly attributable to a stand by President Roosevelt against further inflationary experiments. Commodity markets, and especially grains, were marked down in price very severely.

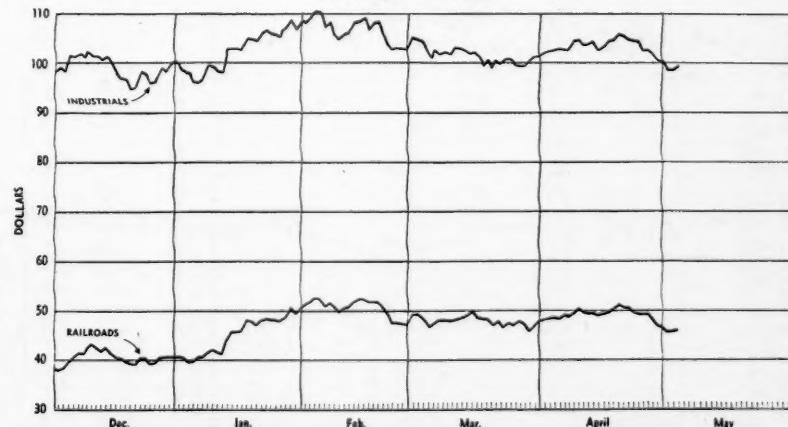
High-Grade Bonds Higher

In the listed bond market issues with a speculative or semispeculative tinge were affected in much the same way as equities. Previously such securities were in keen demand, but in the latter days of April a decline developed that wiped out a good part of the advance recorded in the early days of the month. High-grade bonds in the money market classification, however, were well maintained throughout. United States Government securities were especially in demand at times, and a number of issues were marked up to best levels ever recorded, since issuance.

This movement was prompted in large part by the success achieved in a Treasury conversion offering to holders of \$1,006,000,000 called Fourth Liberty 4½ per cent bonds and \$244,000,000 3 per cent notes due May 2. Treasury 3½ per cent bonds, due 1946 and callable 1944, were accepted by a great majority of holders of the two issues concerned. Indications also were available that the Treasury deficit for the current fiscal year will amount to little more than half the \$7,000,000,000 estimate furnished by the President in January.

Trading in equities on the New York Stock Exchange was only 29,846,502 shares for the month, or the smallest total since February, 1933. The decline in trading from March was very small, however, as only 29,915,000 shares were turned over in that month. In the bond market a fair degree of activity was maintained, the par value turnover amounting to \$362,200,000, against \$319,000,000 in March.

STOCK PRICES *



(*) Based on statistics compiled by Dow, Jones & Co., publishers of "The Wall Street Journal." Share quotations tended to improve modestly during the first three weeks of April, but recessions in final week resulted in stock averages for the month showing a net loss. Turnover was smallest since February, 1933.

INTERNATIONAL MONEY MARKETS

A FAIR degree of stability was maintained in the international exchanges during April, but the nervousness prevalent everywhere regarding possible additional currency experiments by leading governments is far from dispelled. Transactions between business men of different countries still are subject to the extraordinary speculative factor of wide currency fluctuations, and the hampering effect of such unsettled upon trade hardly needs comment. Actions of some governments with regard to budgetary and other matters were reassuring in a monetary sense, but others adopted measures that are difficult to interpret in any favorable light.

Primary importance among the monetary developments of last month must be accorded the action of the United States Treasury, in setting aside a \$2,000,000,000 fund for protecting the dollar in the exchange market or bolstering the market for its own securities. The

Treasury statement for April 27 revealed that this sum had been taken from "Gold in General Fund," where it was placed early in February, after the dollar was formally devalued to 59.06 per cent of its former level, and possession taken by the Treasury of all gold in the country that was devoted to monetary uses.

Stabilization Fund Provided

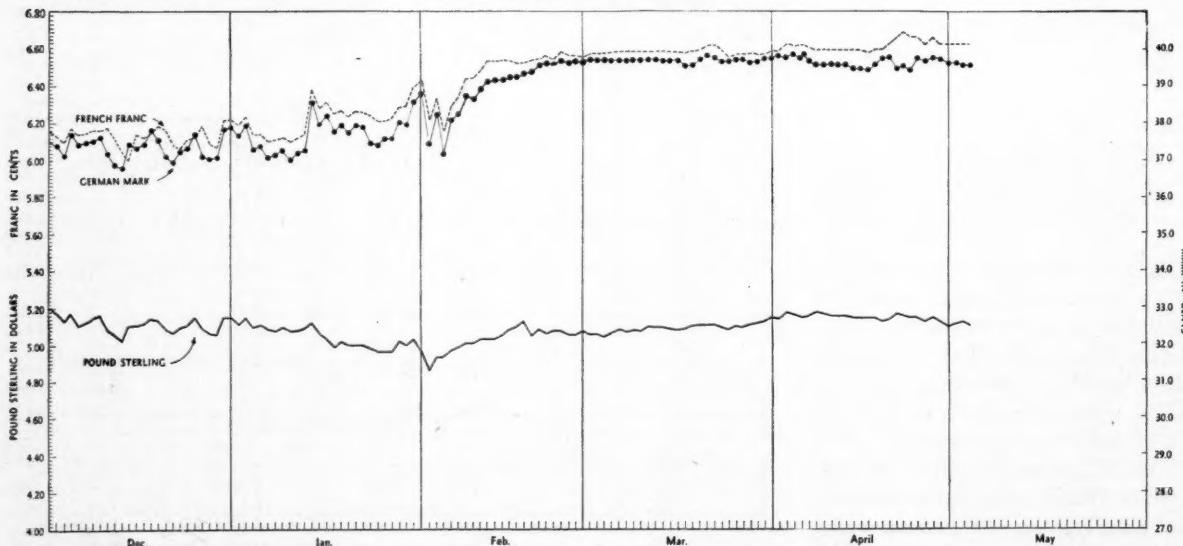
The devaluation legislation provided for the \$2,000,000,000 fund, but as it was understood that a free gold market would be maintained in this country at the new price of \$35 an ounce, so far as international transactions are concerned, no use was made of the fund and none seemed necessary. The Treasury statements also disclosed that the authorities finally had decided to place \$1,800,000,000 of the amount in a special account, called the "Exchange Stabilization Fund," while the remainder of \$200,000,000 was placed to the

credit of the Federal Reserve Bank of New York, as fiscal agent for the Treasury in currency operations.

The transference of \$200,000,000 to the Reserve bank was accomplished through the "sale," or deposit, of certificates representing the gold, and the resultant credit on the books of the bank is free for use in either or both of the two ways stipulated by the legislative enactment. These ways are, specifically, the protection of the dollar abroad and the maintenance of the credit of the Treasury.

The course of the foreign exchange market during April is generally assumed to have prompted the establishment of the fund and the preparations for its use without delay, in case of need. After the dollar was devalued in the final days of January, and until mid-April, quotations for the dollar in terms of francs and guilders reflected a slowly diminishing premium on American money, in relation to gold values.

THE DOLLAR ABROAD



After the middle of April, the premium on the dollar in terms of francs finally was turned into a discount, and levels were reached which make possible shipments to France on a bank-profit basis. Sterling exchange fluctuated in a range from \$5.11 to \$5.17, with daily movements small. Official mark quotation changed little.

The decline of the dollar was accelerated by proposals in Washington for monetization of silver and huge payments of one kind or another by the United States Government, and the tendency continued, despite indications that the Administration was firmly opposed to simple currency inflation. The premium on the dollar finally was turned into a discount, and levels were reached that would make gold shipments possible to France, on a bank-profit basis.

These incidents brought up in a practical way, for the first time since devaluation, the question as to whether gold exports would be permitted from the United States, as gold movements in previous

months had been steadily toward this country. Assurances quickly were given in Washington that no obstacles would be placed in the way of gold exports, and this in itself produced confidence and a revival of the dollar.

Sterling exchange fluctuated during the month in a range from \$5.11 to \$5.17, with daily movements small, while in relation to francs the British unit was even more stable than in relation to the dollar. Confidence in sterling was further enhanced by the budget presentation of April 17, in which sizable tax reductions were announced. French francs were generally firm, with determined action by the Doumergue government

toward a balanced budget occasioning a better demand for the unit. Guilders and Swiss francs, which also are gold currencies, remained close to former levels.

A German decree aimed at still closer control of marks by the Reichsbank, made this currency more than ever a purely domestic unit. The official mark quotation of the Reichsbank was not much changed, and the nominal relationship of gold was maintained, but the bootleg market in marks continues to flourish. There were no incidents of note in other European units, and the Latin-American exchanges also reflected only nominal changes. Silver units of the Far East were weak.

DAILY CLOSING QUOTATIONS OF FOREIGN EXCHANGE (BANKERS' BILLS) IN THE NEW YORK MARKET DURING APRIL, 1934

	Mon. Apr. 2	Tues. Apr. 3	Wed. Apr. 4	Thurs. Apr. 5	Fri. Apr. 6	Sat. Apr. 7	Mon. Apr. 9	Tues. Apr. 10	Wed. Apr. 11	Thurs. Apr. 12	Fri. Apr. 13	Sat. Apr. 14	Mon. Apr. 16
Sterling, checks.....	5.14 1/4	5.19	5.16 1/8	5.15 1/8	5.16 1/8	5.18	5.17 1/8	5.16 1/8	5.16 1/8	5.16 1/8	5.15 1/4	5.15 1/2	5.15 1/8
Sterling, cables.....	5.14 1/4	5.19	5.16 1/8	5.15 1/8	5.16 1/8	5.18	5.17 1/8	5.16 1/8	5.16 1/8	5.16 1/8	5.15 1/4	5.15 1/2	5.15 1/8
Paris, checks.....	6.58	6.61 1/2	6.60	6.61 1/4	6.60	6.59 1/2	6.60	6.60	6.60	6.59 1/2	6.60	6.60	6.59 1/2
Paris, cables.....	6.58 1/4	6.61 1/4	6.60 1/4	6.61 1/4	6.60 1/4	6.60	6.60 1/4	6.60 1/4	6.60 1/4	6.60	6.60 1/4	6.60 1/4	6.59 1/2
Berlin, checks.....	39.68	39.89	39.73	39.84	39.76	39.77	39.68	39.56	39.53	39.55	39.53	39.53	39.45
Berlin, cables.....	39.70	39.91	39.75	39.86	39.78	39.79	39.68	39.58	39.55	39.57	39.55	39.55	39.47
Antwerp, checks.....	23.32 1/2	23.44 1/2	23.37 1/2	23.43 1/2	23.39 1/2	23.39 1/2	23.42 1/2	23.42 1/2	23.42 1/2	23.41	23.40	23.38	23.38
Antwerp, cables.....	23.33	23.45	23.38	23.44	23.40	23.40	23.43	23.43	23.42	23.41	23.40	23.38	23.38
Lire, checks.....	8.58 1/2	8.63 1/2	8.60 1/4	8.62	8.60	8.59 1/2	8.58	8.56 1/2	8.58 1/2	8.57	8.53 1/4	8.52 1/2	8.54 1/2
Lire, cables.....	8.59	8.64	8.60 1/4	8.62 1/4	8.60 1/4	8.59 1/2	8.58 1/2	8.57	8.56 1/2	8.57 1/2	8.53 1/2	8.52 1/2	8.54 1/2
Swiss, checks.....	32.23 1/2	32.43 1/2	32.37 1/2	32.45 1/2	32.39 1/2	32.38 1/2	32.38 1/2	32.38 1/2	32.39 1/2	32.40	32.40 1/2	32.35 1/2	32.35 1/2
Swiss, cables.....	32.24	32.44	32.38	32.46	32.40	32.39	32.38	32.39	32.40	32.40	32.40 1/2	32.41	32.36
Guilders, checks.....	67.39	67.71	67.56	67.69	67.66	67.69	67.65	67.65	67.64 1/2	67.68	67.70	67.66	67.66
Guilders, cables.....	67.43	67.75	67.60	67.73	67.70	67.73	67.69	67.69	67.68 1/2	67.70	67.74	67.70	67.70
Pesetas, checks.....	13.63	13.69 1/2	13.66 1/2	13.70	13.67	13.67	13.67	13.67	13.68	13.67 1/2	13.68	13.66 1/2	13.66 1/2
Pesetas, cables.....	13.64	13.70 1/2	13.67 1/2	13.71	13.68	13.68	13.68 1/2	13.68	13.69	13.68 1/2	13.68 1/2	13.67 1/2	13.67 1/2
Denmark, checks.....	22.97	23.19	23.06	23.04 1/2	23.08 1/2	23.14	23.13 1/2	23.08	23.08	23.07 1/2	23.03	23.03 1/2	23.04 1/2
Denmark, cables.....	22.98	23.20	23.07	23.05 1/2	23.09 1/2	23.15	23.14 1/2	23.09	23.09	23.08 1/2	23.04	23.04 1/2	23.05 1/2
Sweden, checks.....	26.58	26.79	26.63	26.61 1/2	26.66 1/2	26.73	26.72	26.65	26.65	26.64	26.59 1/2	26.60	26.61
Sweden, cables.....	26.54	26.80	26.64	26.62 1/2	26.67 1/2	26.74	26.73	26.66	26.66	26.65	26.60 1/2	26.61	26.62
Norway, checks.....	25.84	26.10	25.95	25.93 1/2	25.97 1/2	26.04	25.97	25.97	25.97	25.96 1/2	25.92	25.92 1/2	25.92 1/2
Norway, cables.....	25.85	26.11	25.96	25.94 1/2	25.98 1/2	26.05	26.04	25.98	25.98	25.97 1/2	25.93	25.93 1/2	25.93 1/2
Greece, checks.....	.94	.94 1/4	.94	.93 1/2	.94	.94 1/4	.94 1/4	.94 1/4	.94 1/4	.94 1/4	.94 1/4	.94 1/4	.94 1/4
Greece, cables.....	.94 1/4	.95	.94 1/4	.93 1/2	.94 1/4	.94 1/4	.94 1/4	.94 1/4	.94 1/4	.94 1/4	.94 1/2	.94 1/2	.94 1/2
Portugal, checks.....	4.71	4.72	4.72	4.72 1/2	4.73	4.72 1/2	4.72 1/2	4.72 1/2	4.72 1/2	4.72	4.72 1/2	4.72 1/2	4.72
Portugal, cables.....	4.71	4.72	4.72	4.72 1/2	4.73	4.72 1/2	4.72 1/2	4.72 1/2	4.72 1/2	4.72	4.72 1/2	4.72 1/2	4.72
Australia, checks.....	4.10 1/2	4.14 1/4	4.12	4.11 1/2	4.12 1/2	4.13 1/2	4.13 1/2	4.12 1/2	4.12 1/2	4.12 1/2	4.11 1/2	4.11 1/2	4.11 1/2
Australia, cables.....	4.11 1/4	4.15	4.12 1/2	4.13 1/2	4.14 1/4	4.14 1/4	4.13 1/2	4.13 1/2	4.13 1/2	4.13 1/2	4.12 1/2	4.12 1/2	4.12 1/2
Montreal, demand.....	100.03	100.06	100.06	100.06	100.13	100.19	100.28	100.28	100.34	100.31	100.19	100.13	100.38
Argentina, demand.....	34.22	34.60	34.40	34.35	34.47	34.53	34.50	34.45	34.45	34.45	34.40	34.35	34.40
Brazil, demand.....	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75
Chile, demand.....	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25
Uruguay, demand.....	80.50	80.50	80.50	80.50	80.50	80.50	80.50	80.50	80.50	80.50	80.50	80.50	80.50

	Tues. Apr. 17	Wed. Apr. 18	Thurs. Apr. 19	Fri. Apr. 20	Sat. Apr. 21	Mon. Apr. 23	Tues. Apr. 24	Wed. Apr. 25	Thurs. Apr. 26	Fri. Apr. 27	Sat. Apr. 28	Mon. Apr. 30	
Sterling, checks.....	5.15 1/2	5.13 1/2	5.14 1/2	5.17 1/2	5.16 1/2	5.15 1/2	5.15 1/2	5.15 1/2	5.13 1/2	5.13 1/2	5.15	5.13 1/2	
Sterling, cables.....	5.15 1/2	5.13 1/2	5.14 1/2	5.17 1/2	5.16 1/2	5.15 1/2	5.15 1/2	5.15 1/2	5.13 1/2	5.13 1/2	5.15	5.13 1/2	
Paris, checks.....	6.60 1/4	6.59 1/2	6.62 1/2	6.66 1/2	6.68 1/2	6.65 1/2	6.65 1/2	6.62 1/2	6.65	6.64 1/2	6.64 1/2	6.63 1/2	
Paris, cables.....	6.60 1/4	6.60	6.63	6.66 1/2	6.69	6.66	6.66	6.65 1/2	6.65	6.65 1/2	6.65	6.63 1/2	
Berlin, checks.....	39.46	39.40	39.53	39.72	39.75	39.47	39.49	39.49	39.39	39.73	39.68	39.71	39.68
Berlin, cables.....	39.48	39.42	39.55	39.74	39.77	39.49	39.51	39.41	39.75	39.68	39.73	39.70	39.70
Antwerp, checks.....	23.39 1/2	23.36 1/2	23.46 1/2	23.62 1/2	23.68 1/2	23.62	23.61 1/2	23.48 1/2	23.55	23.54 1/2	23.55 1/2	23.51 1/2	23.51 1/2
Antwerp, cables.....	23.40	23.37	23.47	23.63	23.69	23.62	23.62	23.49	23.55	23.55	23.57	23.52	23.52
Lire, checks.....	8.53 1/2	8.52 1/2	8.51 1/2	8.59 1/2	8.62 1/2	8.59 1/2	8.57 1/2	8.53 1/2	8.57	8.57	8.57	8.55 1/2	8.55 1/2
Lire, cables.....	8.53 1/2	8.52 1/2	8.51 1/2	8.59 1/2	8.62 1/2	8.59 1/2	8.57 1/2	8.53 1/2	8.57	8.57	8.57	8.56	8.56
Swiss, checks.....	32.38 1/2	32.37 1/2	32.50	32.72	32.83	32.68	32.68	32.54	32.65	32.65	32.66	32.65	32.61
Swiss, cables.....	32.39	32.38	32.50 1/2	32.72	32.83	32.68	32.68	32.54	32.65	32.65	32.66	32.65	32.61
Guilders, checks.....	67.74	67.71	67.91	68.36	68.58	68.27	68.24	67.90	68.13	68.18	68.15	68.09	68.09
Guilders, cables.....	67.78	67.75	67.95	68.40	68.63	68.31	68.28	67.94	68.17	68.20	68.19	68.13	68.13
Pesetas, checks.....	13.67 1/2	13.66	13.71	13.80 1/2	13.84 1/2	13.78	13.78	13.72	13.76 1/2	13.78 1/2	13.77 1/2	13.77 1/2	13.75 1/2
Pesetas, cables.....	13.68 1/2	13.67	13.72	13.81 1/2	13.85 1/2	13.79	13.79	13.73	13.77 1/2	13.77 1/2	13.78	13.75 1/2	13.75 1/2
Denmark, checks.....	23.03 1/2	22.94 1/2	23.00	23.14	23.06 1/2	23.03	23.01	22.95 1/2	22.96	22.99	23.01	22.94	22.94
Denmark, cables.....	23.04 1/2	22.95 1/2	23.01	23.15	23.07 1/2	23.04	23.02	22.96 1/2	22.97	23.00	23.02	22.95	22.95
Sweden, checks.....	26.59 1/2	26.49 1/2	26.56	26.72	26.64 1/2	26.59	26.57	26.50 1/2	26.50	26.54	26.57	26.48 1/2	26.48 1/2
Sweden, cables.....	26.60 1/2	26.50 1/2	26.57	26.73	26.65 1/2	26.60	26.58	26.51 1/2	26.51	26.55	26.58	26.49 1/2	26.49 1/2
Norway, checks.....	25.91 1/2	25.81 1/2	25.88	26.03 1/2	25.96	25.90 1/2	25.89	25.82 1/2	25.82	25.85 1/2	25.88	25.80	25.80
Norway, cables.....	25.92 1/2	25.82 1/2	25.89	26.04 1/2	25.97	25.91 1/2	25.90	25.83 1/2	25.83	25.86 1/2	25.89	25.81	25.81
Greece, checks.....	.94	.94	.93 1/2	.95 1/2	.95	.95	.95	.94 1/2	.95	.94 1/2	.95	.95 1/2	.95 1/2
Greece, cables.....	.94 1/4	.94 1/4	.93 1/2	.95 1/2	.95 1/2	.95 1/2	.95 1/2	.95	.95	.95 1/2	.95 1/2	.95 1/2	.95 1/2
Portugal, checks.....	4.73	4.72 1/2	4.73 1/2	4.75	4.75	4.74	4.74	4.73	4.73	4.74 1/2	4.74	4.72	4.72
Portugal, cables.....	4.73	4.72 1/2	4.73 1/2	4.75	4.75	4.74	4.74	4.73	4.73	4.74 1/2	4.74	4.72	4.72
Australia, checks.....	4.11 1/2	4.10	4.10 1/2	4.13 1/2	4.12 1/2	4.11 1/2	4.11 1/2	4.10	4.10	4.10 1/2	4.11	4.10	4.10
Australia, cables.....	4.12 1/2	4.10	4.11 1/2	4.14 1/2	4.13 1/2	4.12 1/2	4.12 1/2	4.10 1/2	4.10 1/2	4.11 1/2	4.11 1/2	4.10 1/2	4.10 1/2
Montreal, demand.....	100.25	100.19	100.41	100.69	100.63	100.44	100.43	100.16	100.14	100.34	100.44	100.38	100.38
Argentina, demand.....	34.35	34.25	34.25	34.50	34								

MARCH BUILDING PERMIT VALUES BY CITIES

THE detailed report of building expenditures by cities for March, this year and last, and for February, 1934, as reported to Dun & Bradstreet, Inc., follows:

New England			Schenectady	19,000	22,810	46,900	Fort Smith	9,406	9,352	\$3,324
Boston	1934	1933	Scranton	27,812	17,972	11,502	Fort Worth	78,600	255,123	6,602
Bridgeport	20,638	37,805	Troy	77,150	70,500	93,965	Galveston	36,624	57,690	36,127
Brockton	6,730	5,105	Utica	30,150	23,100	12,000	Houston	301,730	123,600	252,495
Burlington, Vt.	83,500	5,400	Watertown	6,200	3,115	1,100	Jackson	9,997	12,530	41,386
Cambridge	41,991	330,431	White Plains	9,550	14,535	25,450	Knoxville	86,407	9,666	10,841
Chelsea	9,630	13,270	Willes-Barre	21,008	76,650	5,200	Little Rock	20,661	6,877	18,707
Everett	2,500	650	Williamsport	13,822	7,764	15,429	Memphis	135,200	92,430	101,210
Fall River	23,278	12,680	Wilmington	78,638	34,783	24,887	Mobile	78,489	21,784	11,581
Fitchburg	68,400	6,080	Yonkers	83,440	88,125	15,765	Montgomery	27,117	10,981	9,182
Greenwich	65,350	46,750	York	4,440	11,295	18,518	Muskogee	6,295	1,585	1,450
Hartford	143,326	29,591	Total	88,456,318	\$6,528,665	\$5,738,283	Nashville	136,356	70,307	63,224
Haverhill	3,822	15,705	South Atlantic	\$7,560	\$13,085	\$9,775	New Orleans	63,855	73,884	51,165
Holyoke	37,900	2,850	Asheville	124,793	51,397	323,820	Oklahoma City	192,830	58,666	184,970
Lawrence	92,150	13,900	Atlanta	9,941	10,776	299,598	Port Arthur	11,406	7,755	12,989
Lowell	19,770	21,675	Baltimore	618,936	225,200	1,778,880	San Angelo	15,750	1,125	1,900
Lynn	31,855	20,475	Charleston, S. C.	281,277	7,195	6,255	San Antonio	66,281	222,133	57,845
Manchester	7,883	12,408	Charlotte	27,176	19,760	19,831	Shreveport	53,808	16,540	20,715
Medford	13,375	12,150	Coral Gables	45,500	5,200	8,500	Tulsa	74,542	25,868	121,365
New Bedford	21,075	17,460	Greenville	35,387	10,495	17,605	Waco	11,350	19,369	7,130
New Britain	149,702	46,515	Jacksonville, Fla.	159,590	62,375	261,817	Wichita Falls	4,995	5,482	2,160
New Haven	62,601	42,565	Lynchburg	54,688	33,050	18,919	Total	\$1,951,881	\$1,884,743	\$1,434,980
Newton	122,900	34,850	Macon	31,178	105,650	53,270	West Central			
Norwalk	26,260	53,220	Miami	111,998	52,143	94,064	Cedar Rapids	\$828,277	\$14,206	\$18,660
Portland, Me.	5,978	18,677	Miami Beach	516,050	77,450	291,585	Davenport	23,403	14,287	9,319
Providence	181,100	144,250	Norfolk	22,735	74,445	32,226	Des Moines	187,491	32,423	20,891
Quincy, Mass.	29,812	38,347	Richmond	78,730	62,071	87,316	Dubuque	10,842	15,312	3,605
Salem	167,935	19,525	Roanoke	25,937	7,507	820	Duluth	76,233	36,677	73,389
Somerville	45,585	24,785	Savannah	5,750	10,610	35,863	Fargo	6,225	350	3,560
Springfield, Mass.	15,205	14,495	Tampa	23,952	28,625	39,901	Kansas City, Kan.	46,035	12,390	10,400
Stamford	23,190	31,855	Washington, D.C.	455,645	302,940	425,560	Kansas City, Mo.	188,800	66,250	95,700
Waterbury	33,950	33,500	Winston-Salem	27,958	16,935	26,610	Lincoln	27,494	20,862	21,603
West Hartford	45,388	65,355	Total	\$2,636,071	\$1,184,429	\$3,902,810	Minneapolis	208,930	137,210	136,670
Worcester	53,987	20,346	East Central	\$145,415	\$9,660	\$50,557	Omaha	90,105	56,605	107,575
Total	\$2,228,391	\$1,872,917	Akron	5,500	5,850	9,640	St. Joseph	55,400	9,090	12,210
Middle Atlantic			Bay City	6,950	5,850	9,640	St. Louis	303,327	209,022	196,861
Manhattan 1	\$288,650	\$65,100	Berwyn	3,150	6,650	8,650	St. Paul	154,626	141,822	72,453
Manhattan 2	959,076	855,007	Bluefield	6,735	1,425	10,300	Sioux City	93,325	40,884	17,090
Bronx 1	1,310,200	1,082,950	Canton	15,950	1,755	50,415	Sioux Falls	9,105	10,950	12,515
Bronx 2	179,995	128,975	Chicago	297,050	111,200	79,425	Topeka	20,450	4,725	7,980
Bronx 3	1,265,375	616,625	Cincinnati	372,805	441,885	309,655	Wichita	24,023	18,710	26,108
Brooklyn 1	1,265,375	616,625	Clarksburg	5,785	8,217	8,575	Total	\$2,354,093	\$841,775	\$846,589
Brooklyn 2	771,122	370,170	Cleveland	334,800	301,500	246,000	Mountain			
Queens 1	418,644	528,315	Columbus	64,450	39,400	64,000	Billings	\$8,326	\$10,600	\$4,835
Queens 2	466,166	200,897	Dayton	29,773	43,610	52,868	Boise	55,928	10,517	15,313
Richmond 1	23,507	130,328	Detroit	484,599	157,381	415,837	Butte	6,575	1,840	2,150
Richmond 2	17,510	53,340	East St. Louis	4,150	7,002	8,100	Colorado Springs	21,945	11,861	8,445
Total N. Y. C.	\$5,700,245	\$4,040,707	Evanston	35,500	35,000	35,000	Denver	183,487	176,192	214,030
(1) New work. (2) Alterations.			Evansville	46,328	26,371	83,517	Great Falls	10,080	2,765	4,250
Albany	\$105,144	\$166,857	Flint	22,801	8,660	8,980	Ogden	3,575	6,365	2,925
Allentown	22,150	14,835	Fort Wayne	31,830	14,579	25,793	Phoenix	12,000	13,400	16,223
Altoona	3,058	8,447	Gary	2,350	11,270	1,600	Pueblo	6,467	5,290	3,949
Atlantic City	42,399	36,282	Grand Rapids	22,450	27,170	45,030	Salt Lake City	39,757	11,795	14,280
Auburn	7,360	4,790	Green Bay	17,910	9,535	1,500	Tucson	28,200	20,514	54,685
Bayonne	115,745	28,820	Hammond	13,435	877	11,200	Total	\$368,014	\$260,539	\$336,250
Binghamton	38,249	22,935	Huntington	37,553	3,980	10,590	Pacific			
Buffalo	156,335	64,139	Indianapolis	78,337	142,051	141,407	Bakersfield	\$32,972	\$0,500	\$157,495
Camden	64,086	18,406	Lansing	7,125	2,750	10,622	Berkeley	65,167	42,663	60,180
East Orange	24,255	29,635	Lima	35,675	5,210	800	Beverly Hills	287,500	132,320	100,900
Elizabeth	41,005	22,585	Louisville	50,735	30,725	151,750	Fresno	90,719	41,060	116,576
Elmira	34,739	10,440	Madison	6,035	8,075	16,985	Glendale	57,535	70,424	63,730
Erie	14,020	18,547	Milwaukee	149,597	134,675	84,374	Long Beach	223,470	1,101,435	168,395
Harrisburg	12,800	11,330	Newark, Ohio	760	250	500	Los Angeles	1,340,402	958,441	990,185
Jamestown	1,310	88,215	Oak Park	24,380	1,400	11,500	Oakland	366,823	136,351	516,592
Jersey City	125,935	54,902	Peoria	162,970	45,900	16,400	Pasadena	44,564	40,008	76,963
Lancaster	4,065	6,750	Pontiac	21,125	666	10,215	Portland, Ore.	302,435	134,960	151,140
Mount Vernon	23,875	46,415	Quincy, Ill.	500	395	210	Sacramento	120,327	34,173	54,096
Newark, N. J.	104,793	687,825	Racine	14,500	1,500	700	San Diego	155,944	113,035	372,164
Total	\$8,322,924	\$1,847,202	Rockford	8,850	11,050	6,225	San Francisco	680,403	548,231	492,802
(1) New work. (2) Alterations.			Saginaw	17,600	35,311	8,960	San Jose	100,590	283,270	141,920
Terre Haute	4,117	6,314	South Bend	13,855	14,450	4,575	Seattle	119,955	95,243	149,095
Toledo	533,980	38,208	Springfield, Ill.	28,800	51,300	3,675	Spokane	100,869	84,387	133,041
Zanesville	3,825	...	Springfield, Ohio	8,500	750	1,950	Stockton	33,545	12,992	22,304
Total	\$4,187,313	\$3,878,171	Superior	82,133	7,305	12,725	Tacoma	64,095	30,681	42,755
Total U. S.	\$25,505,005	\$17,798,441	Youngstown	49,962	20,550	16,755	Total	\$10,810,333	\$3,878,171	\$3,810,333
New York City	\$5,700,245	\$4,040,707	Wheeling	12,448	13,960	26,738	Total U. S.	\$25,505,005	\$17,798,441	\$19,326,964
Outside N. Y. C.	\$10,810,744	\$3,878,171	Youngstown	44,962	20,550	16,755	New York City	\$5,700,245	\$4,040,707	\$2,994,728
Newark, N. J.	104,793	687,825	Zanesville	3,825	...	840	Outside N. Y. C.	\$10,810,744	\$3,878,171	\$16,332,236

THE TREND OF PRICES

THE uneven trend of commodity quotations during April, with emphasis on the down side, was not checked until the final week, so that all the indices on May 1 were slightly below the positions of the month preceding, but still higher than a year ago.

Loss for Month .2 Per Cent

On May 1, the Dun & Bradstreet Monthly Commodity Price Index stood at \$9.1552, a drop of only .2 per cent from the April 1 index of \$9.1697, which had lost 1 per cent from March 1.

	May 1,	Apr. 1,	May 1,
	1934	1934	1933
Breadstuffs	\$0.0051	\$0.1000	\$0.0794
Livestock .....	.2365	.2468	.2268
Provisions	2.2411	2.2002	1.9249
Fruits .....	.2416	.2489	.1854
Hides and Leather...	.8675	.8575	.7150
Textiles	2.7438	2.8133	1.6829
Metals .....	.8068	.7881	.5209
Coal and Coke.....	.0104	.0108	.0091
Oils .....	.4785	.4807	.4008
Naval Stores.....	.1347	.1421	.1005
Building Materials...	.1158	.1138	.0952
Chemicals and Drugs.	.8476	.8476	.8166
Miscellaneous .....	.3358	.3190	.2270
Total	\$9.1552	\$9.1697	\$6.9845

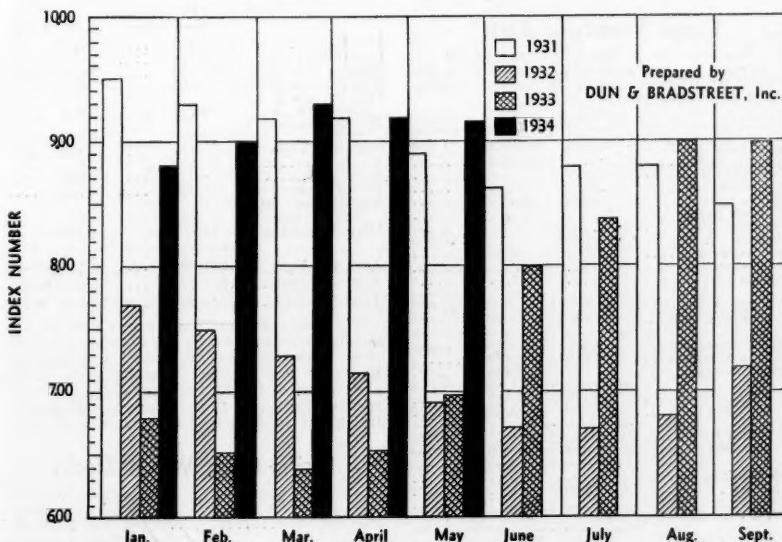
The latest index, however, shows an increase of 3.6 per cent over the January 1 figure of \$8.8329, and comparison with the corresponding month of last year, when the index stood at \$6.9845, reveals a rise of 31.1 per cent. Only five groups advanced during the month; seven declined, and one remained unchanged.

Second Decline for Dun's Index

For the second consecutive month, Dun's Index Number of Wholesale Prices dropped below that of the month preceding. A loss of \$2.084, or 1.28 per cent, carried the index on May 1 down to \$161.331. It was higher by 20.8 per cent than on May 1, 1933, and above the 1932 and 1931 figures.

	May 1,	Apr. 1,	Mar. 1,	May 1,
	1934	1934	1934	1933
Breadstuffs	\$20.603	\$20.900	\$21.196	\$18.021
Meat	13.516	12.381	11.544	9.746
Dairy & Garden	19.017	19.664	23.211	19.048
Other Food...	16.488	17.832	17.436	16.644
Clothing	28.469	28.738	29.840	20.238
Metals	23.272	23.907	23.852	18.892
Miscellaneous	39.966	39.993	37.947	30.893
Total	\$161.331	\$163.415	\$165.026	\$133.488

DUN & BRADSTREET INDEX NUMBER



From the three-year peak of \$9.2657, reached on March 1, the Dun & Bradstreet Monthly Commodity Price Index dropped to \$9.1697 on April 1. Losing again during the month that followed, but only to the extent of .2 per cent, the index on May 1 fell to \$9.1552, which was the highest figure for that month since 1930.

Weekly Index Lowered

From its opening position at \$2.10, the Weekly Food Index rose to \$2.11 at the middle of April, but the weakness in the major food prices reduced it in the final week to \$2.09, or 1c. lower than it was when the month opened. This is the lowest point it has touched since the week of February 6, when it stood at \$2.08. The current index, however, shows an increase of 18.1 per cent over the \$1.77 registered on May 1, 1933, and a gain of 19.6 per cent over the comparative figure of May 1, 1932.

	1934	1933	1932	1931	1930
May 1.....	\$2.09	\$1.77	\$1.68	\$2.24	\$2.87
Apr. 24.....	2.11	1.75	1.69	2.28	2.90
Apr. 17.....	2.11	1.63	1.72	2.30	2.91
Apr. 10.....	2.10	1.62	1.72	2.34	2.94
Apr. 3.....	2.10	1.58	1.74	2.37	2.91

Daily Commodity Index Lost

During the closing days of April, a moderate improvement was recorded for the Daily Weighted Price Index, which had drifted irregularly lower, after touching the month's high at 108.04 on April 10. After sinking to 105.00 on April 26, which was the low point for the thirty-day period, the index rose uninterruptedly to close the month at 106.75, as compared with 107.46 when it opened.

	1934	1933
Apr. 30	106.75	May 1 83.68
Apr. 29	105.96	Apr. 29 83.04
Apr. 27	105.52	Apr. 28 81.58
Apr. 26	105.00	Apr. 27 82.17
Apr. 25	105.18	Apr. 26 82.36
Apr. 24	105.43	Apr. 25 82.42
Apr. 23	105.75	Apr. 24 82.67
Apr. 21	105.59	Apr. 22 81.60
Apr. 20	105.55	Apr. 21 80.51
Apr. 19	105.07	Apr. 20 80.46
Apr. 18	105.38	Apr. 19 77.63
Apr. 17	105.29	Apr. 18 76.19
Apr. 16	106.55	Apr. 17 75.44
Apr. 14	107.15	Apr. 15 Holiday
Apr. 13	107.52	Apr. 14 Holiday
Apr. 12	107.60	Apr. 13 75.97
Apr. 11	107.92	Apr. 12 75.56
Apr. 10	108.04	Apr. 11 75.82
Apr. 9	107.60	Apr. 10 75.25
Apr. 7	107.91	Apr. 8 74.78
Apr. 6	107.77	Apr. 7 74.38
Apr. 5	107.65	Apr. 6 74.40
Apr. 4	107.52	Apr. 5 73.83
Apr. 3	107.26	Apr. 4 72.56
Apr. 2	107.46	Apr. 3 72.17

	HIGH	LOW
1934 ..	110.24	Mar. 12 101.05
1933 ..	113.52	July 18 67.86
1932 ..	84.41	Jan. 7 60.55
		Dec. 24

STATISTICAL RECORD OF

VISIBLE GRAIN SUPPLIES

Returns to DUN & BRADSTREET, INC., of available wheat stocks held on April 28, 1934, in the United States and Canada, leading ports of the United Kingdom and Europe, and the supply on passage for the United Kingdom, also the stocks of corn and oats held in the United States and Canada, with comparisons, are as follows, figures being in bushels:

	<i>Wheat</i>	<i>Apr. 28, 1934</i>	<i>Changes from Last Week</i>	<i>Apr. 29, 1933</i>
United States, east of Rocky Mountains.....	86,856,000	— 2,254,000	125,934,000	
United States, west of Rocky Mountains.....	5,344,000	+ 322,000	3,195,000	
Canada	211,091,000	+ 5,587,000	215,204,000	
Total, United States and Canada.....	303,291,000	+ 8,163,000	344,333,000	
United Kingdom and Afloat (Broomhall).....	45,900,000	+ 3,600,000	52,000,000	
Total, American, United Kingdom and Afloat.....	349,191,000	+ 11,763,000	396,333,000	
Continent { Marseilles Rotterdam & } (Broomhall).....	6,500,000	+ 100,000	4,600,000	
Total, American and European Supply.....	355,691,000	+ 11,863,000	400,933,000	
Corn—United States and Canada.....	57,396,000	+ 2,888,000	32,463,000	
Oats—United States and Canada.....	46,492,000	+ 2,697,000	33,203,000	

The combined aggregate wheat visible supply statistics, in bushels, follow. (Last three 000 omitted):

<i>Week ending 1934</i>	<i>U. S. east of Rockies</i>	<i>U. S. Pacific Coast</i>	<i>Total U. S.</i>	<i>Canada</i>	<i>U. S. and Canada</i>	<i>U. K. and both Afloat</i>	<i>American, U. K. and Coasts (Broomhall)</i>	<i>Total America and Continent Europe</i>
Feb. 3.....	118,671	7,782	121,453	233,868	354,921	51,800	406,121	5,800 411,921
Feb. 10.....	111,241	7,796	119,087	230,065	341,102	51,400	402,502	5,500 408,002
Feb. 17.....	109,442	7,481	116,896	232,153	349,049	50,800	399,849	5,300 405,149
Feb. 24.....	107,555	7,664	114,079	230,268	345,247	53,200	398,447	5,400 403,847
Mar. 3.....	104,554	7,176	111,730	227,060	338,790	53,300	392,090	5,300 397,590
Mar. 10.....	100,878	7,032	107,910	224,904	332,814	54,100	386,914	5,100 392,014
Mar. 17.....	98,681	7,238	105,919	222,910	328,829	56,500	385,329	5,300 390,629
Mar. 24.....	96,171	6,981	108,152	222,004	325,156	52,200	377,356	5,500 382,856
Mar. 31.....	94,504	6,654	101,158	220,759	321,917	51,300	373,217	5,400 387,617
Apr. 7.....	92,231	6,526	98,757	220,014	318,771	49,100	367,871	5,700 373,571
Apr. 14.....	90,561	6,037	96,598	219,730	316,328	51,100	367,428	6,300 373,728
Apr. 21.....	89,110	5,666	94,776	216,678	311,454	49,500	360,954	6,600 367,554
Apr. 28.....	86,856	5,344	92,200	211,091	303,291	45,900	349,191	6,500 355,691

Wheat and Flour Exports

(By telegraph to Dun & Bradstreet, Inc.)

The quantity of wheat (including flour as wheat) exported from leading United States and Canadian ports for the week and season compare as follows, in bushels:

<i>Week ending 1934</i>	<i>1933</i>	<i>1932</i>
January 6....	4,061,476	3,438,824
January 13....	4,042,082	5,981,552
January 20....	5,191,770	4,213,591
January 27....	3,287,630	3,500,361
February 3....	4,518,725	5,477,033
February 10....	3,165,078	5,247,990
February 17....	3,622,380	4,660,520
February 24....	3,122,133	3,626,024
March 3....	4,451,617	4,228,376
March 10....	2,834,119	3,984,057
March 17....	8,780,985	8,252,595
March 24....	3,812,665	3,849,394
March 31....	2,643,287	2,491,520
April 7....	3,426,419	2,391,651
April 14....	4,673,594	3,690,539
April 21....	2,817,302	2,843,174
April 28....	3,256,079	4,675,488

July 1 to date. 169,057,620 235,670,477 251,697,432

Corn Exports

(By telegraph to Dun & Bradstreet, Inc.)

Corn exports in bushels from leading United States and Canadian ports compare as follows:

<i>Week ending 1934</i>	<i>1933</i>	<i>1932</i>
January 6....	1,000	27,404
January 13....	2,000	48,000
January 20....	1,000	2,164
January 27....	28,000	52,882
February 3....	12,000	274,000
February 10....	33,000	8,000
February 17....	15,000	314,000
February 24....	75,000	24,000
March 3....	9,000	157,000
March 10....	49,000	115,000
March 17....	40,000	53,000
March 24....	90,000	1,639
March 31....	10,000	38,000
April 7....	10,000	4,000
April 14....	19,000	1,000
April 21....	6,000	75,999
April 28....	11,000	27,000

July 1 to date.... 628,000 4,916,742 574,346

Grain Movement

Receipts of flour and grain at twelve Western lake and river points for the week and season compare as follows (000 omitted):

<i>Flour, Wheat, Corn, Oats, bbls.</i>	<i>bus.</i>	<i>bus.</i>	<i>bus.</i>	<i>bus.</i>
April 28, 1934....	848	1,747	1,615	640
April 21, 1934....	331	2,350	1,935	810
April 14, 1934....	321	2,273	1,909	868
April 7, 1934....	356	2,392	2,004	936
April 29, 1933....	464	5,282	7,468	2,489

Season, July 1, 1933, to April 28, 1934—

<i>Flour, bbls.</i>	<i>Wheat, bus.</i>	<i>Corn, bus.</i>	<i>Oats, bus.</i>
14,908	Corn, bus.	205,353	
230,681	Oats, bus.	74,231	

Season, July 1, 1932, to April 29, 1933—

<i>Flour, bbls.</i>	<i>Wheat, bus.</i>	<i>Corn, bus.</i>	<i>Oats, bus.</i>
16,481	Corn, bus.	162,147	
308,542	Oats, bus.	79,684	

From

<i>New York.</i>	<i>9,956</i>	<i>746,000</i>	<i>1,000</i>
Albany, N. Y.	224,000	.....
Philadelphia
Baltimore
Boston	2,000	91,000
Newport News
Portland, Me.	1,000	10,000
Norfolk	2,000	4,000
New Orleans
Galveston
Mobile

<i>Total, Atlantic.</i>	<i>14,956</i>	<i>1,065,000</i>	<i>11,000</i>
Previous week....	14,015	576,000	6,000

<i>San Francisco.</i>	<i>6,500</i>	<i>10,000</i>	<i>.....</i>
Portland, Ore.	3,678	832,499	.....

<i>Puget Sound.</i>	<i>.....</i>	<i>116,666</i>	<i>.....</i>
Total, Pacific.	10,178	959,165	.....

<i>Previous week....</i>	<i>46,398</i>	<i>452,666</i>	<i>.....</i>
Total, U. S.	25,134	2,019,165	11,000

<i>Montreal.</i>	<i>.....</i>	<i>.....</i>	<i>.....</i>
Halifax	24,000	.....	.....

<i>Vancouver.</i>	<i>.....</i>	<i>800,311</i>	<i>.....</i>
West St. John	33,000	62,000	.....

<i>Total, Canada.</i>	<i>57,000</i>	<i>862,311</i>	<i>.....</i>
Previous week....	174,685	730,695	.....

<i>Grand total....</i>	<i>82,134</i>	<i>2,881,476</i>	<i>11,000</i>
Previous week....	235,098	1,759,361	6,000

U. S. Grain East of Rocky Mountains

Stocks of grain available in the United States April 28, 1934, in bushels, were as follows, with comparisons:

(Last three 000 omitted)

<i>United States</i>	<i>Wheat</i>	<i>Corn</i>	<i>Oats</i>	<i>Barley</i>
Minneapolis	19,084	4,443	13,220	6,786
Duluth	12,939	320	599	230
Sioux City, Iowa	11,401	11	1,527	5
Milwaukee	3,853	292	268	.....
Afloat	.....	.....	.....	.....
Omaha and Council Bluffs	4,379	6,015	930	60
Hutchinson	2,470	4	.....	.....
Lincoln, Neb.	395	65	.....	.....
Wichita	1,031	.....	2	.....
Kansas City	29,606	3,067	251	51
St. Joseph	1,208	2,169	282	11
Chicago	2,716	19,719	2,216	954
Afloat	.....	.....	.....	.....
Manitowoc	.....	1,410	135	.....
Peoria	6	90	137	6
Kankakee	.....	207	.....	.....
Indianapolis	546	1,579	313	.....
St. Louis	2,957	813	.....	18
Louisville	391	182	2	.....
Chattanooga	131	82	.....	.....
Nashville	320	115	282	.....
New Orleans	24	179	58	.....

COMMERCE AND FINANCE

FINANCIAL STATISTICS

	Apr., 1934	Apr., 1933	Ch'ge P. Ct.	Mar., 1934	Ch'ge P. Ct.
Bank clearings, N. Y. City (\$)	16,088,615	10,788,823+	49.1	15,158,367+	6.1
Bank debits, N. Y. City (\$)	16,953,536	12,012,239+	41.1	15,608,427+	8.6
Bank debits, U. S. (\$)	31,231,299	22,628,487+	38.0	29,685,358+	5.2
Bond sales, Municipal (\$)	110,904,763	58,578,695+	89.3	103,881,294+	6.8
Bond sales, N. Y. Curb Exchange (\$)	124,636,000	20,084,000+520.6	101,887,000+	22.3	
Bond sales, N. Y. Stock Exchange (\$)	362,200,700	271,297,200+	33.5	319,673,300+	13.3
Corporate issues (\$)	20,684,500	29,472,836-	29.8	41,694,774-	50.4
Dividend & Interest payments (\$)	576,939,728	564,954,521+	2.1	406,866,638+	41.8
Failures, number †	1,052	1,921	45.2	1,102	4.5
Stock sales, N. Y. Curb Exchange (shares)	6,715,213	6,268,116+	7.1	6,332,685+	6.0
Stock sales, N. Y. Stock Exchange (shares)	29,846,502	31,402,988-	5.0	29,915,969-	0.2
	Mar., 1934	Mar., 1933	Ch'ge P. Ct.	Feb., 1934	Ch'ge P. Ct.
Automobile financing, retail (\$)	69,101,684	33,546,689+106.0	47,623,890+	45.1	
Auto. financing, wholesale (\$)	102,760,116	27,706,836+270.9	61,513,896+	67.1	
Fire losses (\$)	31,312,359	35,321,248-	11.4	31,443,484-	0.4
Foreign Trade, U. S. Mdse. Exports (\$)	187,495,000	106,293,000+	76.4	159,671,000+	17.4
Foreign Trade, U. S. Mdse. Imports (\$)	153,027,000	91,893,000+	66.5	125,011,000+	22.4
Life insurance, sales (\$)	787,628,000	640,414,000+	23.0	648,073,000+	21.5
Ry. earnings, gross (\$)	293,177,840	218,102,308+	34.4	248,439,255+	18.0
Ry. earnings net oper. income (\$)	52,047,881	10,815,304+381.2	29,281,008+	77.8	

* Three cyphers omitted. † Dun & Bradstreet, Inc. ‡ Journal of Commerce.

PRODUCTION

	Apr., 1934	Apr., 1933	Ch'ge P. Ct.	Mar., 1934	Ch'ge P. Ct.
Building† (215 cities) (\$)	20,262,666	22,091,417+	32.5	25,505,005+	14.7
Coal, anthracite (tons)	4,837,000	2,891,000+	67.3	6,418,000	24.6
Coal, bituminous (tons)	24,977,000	19,523,000+	28.0	38,497,000-	35.1
Flour (bbls.)	4,959,082	6,171,406-	19.6	5,588,186-	11.3
Pig iron (tons)	1,754,647	623,618+181.4	1,619,584+	8.3	
Steel ingot (tons)	2,935,631	1,362,856+115.5	2,797,194+	4.9	
Zinc (tons)	30,562	21,467+	42.4	33,721	9.4
	Mar., 1934	Mar., 1933	Ch'ge P. Ct.	Feb., 1934	Ch'ge P. Ct.
Automobile (cars and trucks)	335,993	118,002+184.7	235,384+	32.6	
Boots and shoes (pairs)	20,675,596	26,384,408+	12.5	25,757,011+	15.1
Babbitt metal (lbs.)	2,474,114	1,134,928+	118.0	2,147,399+	15.2
Boxboard (tons)	254,819	237,536+	7.3	223,366+	14.1
Cement (bbls.)	5,257,000	3,684,000+	42.7	4,168,000+	26.1
Coke (tons)	3,118,273	1,759,335+	77.2	2,611,794+	19.4
Const. contr. awarded (37 States) † (\$)	179,161,500	59,959,000+198.8	96,716,300+	85.2	
Cotton mill spin. hours*	7,720,218	7,048,197+	9.5	6,692,120+	15.4
Electricity, k. w. h.**	7,665,000	6,687,000+	14.6	7,051,000+	8.7
Gasoline (bbls.)	32,705,000	31,577,000+	3.6	30,197,000+	8.3
Glass, ptl. prod. (sq. ft.)	9,926,856	4,881,322+103.4	7,441,278+	33.4	
Gold (Rand) (ozs.)	874,112	946,863-	7.7	826,363+	5.8
Lend. refined (tons)	35,502	26,468+	84.1	34,349+	3.4
Malleable castings (tons)	43,438	9,959+336.2	33,939+128.0		
Newspaper, U. S. & Canada (tons)	295,122	213,644+	88.1	246,849+	19.6
Petroleum, crude (bbls.)	75,548,000	75,302,000+	0.3	65,450,000+	15.4
Pneumatic casings †	4,335,092	2,339,373+	85.3	3,921,587+	10.6
Range boilers (no.)	49,100	41,708+	17.7	80,668-	39.1
Steel barrels	695,681	427,562+	62.7	573,391+	21.3
Steel castings, commercial (tons)	39,475	14,896+165.0	28,526+	38.4	
Steel sheets (short tons)	220,282	64,724+240.3	194,830+	13.1	
Sulph. acid (tons)	132,549	79,328+	67.1	139,615-	5.1
Tobacco and products					
Cigarettes, small†	9,833,114	7,974,030+	17.0	9,167,642+	1.8
Cigars, large†	354,164,907	290,111,072+	22.1	299,214,080+	18.4
Tobacco and snuff (lbs.)	31,478,301	27,457,041+	14.6	28,350,704+	11.0

* Three cyphers omitted. † Dun & Bradstreet, Inc. ‡ F. W. Dodge Corp.

‡ February and corresponding months.

SHIPMENTS AND CONSUMPTION

	Apr., 1934	Apr., 1933	Ch'ge P. Ct.	Mar., 1934	Ch'ge P. Ct.
Silk consumption (bales)	37,392	41,910-	10.8	44,080+	15.2
Steel shipments (tons)	643,000	335,321+	91.8	588,209+	9.3
Tin, deliveries U. S. (long tons)	4,405	4,555-	3.3	3,835+	14.9
Zinc, shipments (tons)	31,948	19,398+	64.7	32,753+	2.5
	Mar., 1934	Mar., 1933	Ch'ge P. Ct.	Feb., 1934	Ch'ge P. Ct.
Anthracite, ship. (tons)	5,855,608	8,819,804+	40.2	5,197,931+	3.0
Babbitt met. sales (lbs.)	1,976,117	941,774+109.8	7,175,964+	15.2	
Carloading (cars)	2,757,200	2,093,900+	31.7	2,328,800+	18.4
Boxboard, ship. (tons)	221,114	181,796+	21.6	192,685+	14.8
Cement, ship. (bbls.)	4,618,000	3,510,000+	31.6	2,952,000+	56.4
Coal, anth. and bit. ind. cons. (tons)	26,564,000	20,295,000+	30.9	24,928,000+	6.6
Cotton cons. (bales)	543,690	495,182+	9.8	477,890+	13.8
Gasoline cons. (bbls.)	29,733,000	28,227,000+	5.3	25,048,000+	15.7
Lead, refined (tons)	30,321	21,950+	38.1	25,778+	17.6
Malleable castings (tons)	41,530	11,077+274.9	31,412+	32.2	

SHIPMENTS AND CONSUMPTION (Continued)

	Mar., 1934	Mar., 1933	Ch'ge P. Ct.	Feb., 1934	Ch'ge P. Ct.
Newspaper, U. S. & Canada (tons)	295,184	218,551+	35.1	238,305+	23.9
Paints & var. sales (\$)	23,193,396	13,578,568+	70.8	17,115,447+	30.9
Petroleum, crude, run-to-stills (bbls.)	71,807,000	67,984,000+	5.8	66,470,000+	8.0
Pneumatic casings †	3,285,013	2,292,463+	43.3	3,222,398+	2.0
Oil-burners (no.)	4,967	3,250+	52.4	2,813+	78.6
Prep. roofing (square)	2,161,198	2,731,368-	20.9	1,005,969+	115.0
Range boilers (no.)	46,301	41,244+	12.3	87,104-	46.8
Rubber, cr. cons. (tons)	47,614	18,047+	163.8	40,600+	17.3
Steel barrels	703,101	425,682+	65.2	572,915+	22.7
Steel sheets, ship. (short tons)	200,701	74,880+	168.0	146,905+	36.6
Sulph. acid, cons. (tons)	133,983	76,573+	75.0	149,236-	10.2
Waste paper (cons.)	222,043	148,318+	49.7	176,422+	25.9
Wool consum. (lbs.)	36,118,703	24,943,251+	44.8	34,348,185+	5.2

‡ February and corresponding months.

STOCKS ON HAND AT END OF MONTH

	Apr., 1934	Apr., 1933	Ch'ge P. Ct.	Mar., 1934	Ch'ge P. Ct.
Silk, raw (bales)	61,083	43,038+	41.9	62,828-	2.8
Tin, world's visible supply (long tons)	17,704	42,541-	58.4	20,423-	13.3
Zinc (tons)	109,375	141,364-	22.6	110,761-	1.3
	Mar., 1934	Mar., 1933	Ch'ge P. Ct.	Feb., 1934	Ch'ge P. Ct.
Bathroom access. (pcos.)	298,849	311,430-	4.0	293,742+	1.7
Vitreous clay	75,571	77,962-	3.1	74,887+	0.9
Non-vitreous clay	21,401,000	21,298,000+	0.5	20,762,000+	3.1
Cement (bbls.)	79,372	77,902+	1.9	77,982+	1.8
Boxboard (tons)	28,408,000	22,099,000+	28.5	26,660,000+	6.6
Coal, anth. and bit. ind. stocks (tons)	1,712,962	2,792,905-	38.7	1,807,802-	5.3
Cotton, ex. Int. (bales)	7,852,780	8,901,203-	11.8	8,688,995-	9.1
In warehouses	42,578,000	36,882,000+	15.4	34,636,000+	22.9
Lead, refined (tons)	221,391	194,251+	14.0	216,224+	2.4
Newspaper, U. S. & Canada (tons)	61,603	73,877-	16.6	62,505-	1.4
Oil-burners (no.)	13,797	14,882-	7.3	14,609-	5.6
Petroleum, crude, excl. Calif. (bbls.)	311,576,000	295,349,000+	5.5	309,864,000+	0.6
Porcelain plumbing fixtures (pieces)	8,708	11,490-	24.2	9,575-	9.1
Pneumatic casings †	10,725,032	7,376,946+	45.4	9,684,389+	10.7
Range boilers (no.)	35,186	34,128+	3.1	32,387+	8.6
Rubber, U. S. & Afloat (long tons)	405,786	419,666-	3.3	410,157-	1.1
Steel barrels	34,839	28,904+	20.5	42,259-	17.6
Steel sheets (sh. tons)	114,934	95,606+	20.2	117,230-	2.0
Sulphuric acid (tons)	83,697	90,701-	7.7	98,260-	14.8
Waste paper (tons)	235,320	124,176+	89.5	230,186+	2.2

‡ February and corresponding months.

GOVERNMENT STATISTICS

	Mar. 31, 1934	Mar. 31, 1933	Feb. 28, 1934
Money in circul. U. S. (\$)	5,393,689,530	6,319,514,854	5,354,446,245
Population	126,346,000	125,475,000	126,274,000
Per capita (\$)	42.69	50.36	42.40
Gen. stock money, U. S. (\$)	18,452,311,018	10,628,612,707	18,184,871,158
	Apr. 30, 1934	Apr. 30, 1933	Mar. 31, 1934
Debt, gross, U. S. (\$)	26,118,280,752	21,441,209,176	26,157,509,601
United States:			
Apr., 1934			Mar., 1934
Receipts, ordinary (\$)	182,278,365	113,711,447	420,103,481
Expenditures, ord. (\$)	604,799,329	337,723,156	160,424,266
Expenditures, emerg. (\$)	369,623,464	109,006,641	449,808,670
	March, 1934	February, 1934	January, 1934
U. K. (Board of Trade)	1013 103.8	105.3	104.6
U. K. (Economist)	1013 90.0	90.6	82.3
U. K. (Statist)	1013 96.1	97.1	90.6
France (Bach. Gen.)	1013 394	400	405
Italy (Bach. Gen.)	1013 275	276	286
Germany (Official)	1013 95.0	96.0	96.8
Belgium	1014 473	483	484
Denmark (Official)	1013 129	131	130
Norway	1013 122	122	121
Sweden	1013 112	112	106
Holland	1013 79	80	79
Japan (Bank of Japan)	1013 134.1	132.6	135.7
China (Shanghai)	1026 96.6	98.0	97.2

TEXTILE ORDERS IN APRIL REDUCED

by C. S. WOOLSLEY

APRIL was a quiet buying period in primary textile markets, due chiefly to legislative uncertainties affecting business and finance, and to the many difficulties in arriving at decisions as to policies in the N.R.A. administration. Buyers have been unwilling to make commitments to supplement deliveries being made on past orders, and prices have moved downward under pressure of light orders and unsettled raw material values.

Owing to the substantial volume of business on the books when the month opened, production held up surprisingly well and it was not until the last week or ten days that a sag in prices began to attract serious attention, plans for curtailment began to be discussed freely.

Prompt Revival Expected

Wholesale and retail distribution held up relatively better than business in the primary markets, but cool weather over a wide area delayed retail sales of apparel and Summer fabrics and this was reflected back into mill channels in the form of light duplicate orders. When the month opened, fabric finishers were exceedingly busy, and in many cases new work could not be undertaken for deliveries to begin in from four to six weeks. At the close of the month, the shipments of goods into plants to be processed fell off sharply and renewal of orders awaits the settlement of national and trade policies affecting business.

Cotton goods markets were adversely affected by a steady decline in the raw material amounting to more than 2c. per pound. Many of the staple print cloths and some of the convertibles fell off in price from 4c. to 5c. per pound, leaving

profit margins very narrow in many instances. The decline appeared to be precipitated by the running out of mill orders, rather more than by any troublesome accumulation of goods. While a few cancellations were attempted and some deferring of deliveries on contract took place, buyers, as a rule, took goods in as they became due, and feel confident that they will have use for them as the Spring season goes on.

Price Structure Weaker

Finished goods prices held steadier than gray goods, but it became possible for buyers to do better at the close of the month than for several weeks previous. Percales were repriced $\frac{3}{4}$ c. a yard lower, discounts were extended on sheets and pillowcases, towels declined irregularly, bleached muslins eased off from $\frac{1}{2}$ c. to $\frac{3}{4}$ c. a yard from the year's peak prices, bedspreads, blankets, and comfortables were available at lower prices, and many of the colored

goods for play and work clothes fell off from $\frac{1}{2}$ c. to 1c. a yard. Prices eased on overalls, work shirts, and other cotton garments from 5 to $7\frac{1}{2}$ per cent.

Curtailment Deferred

It seemed to be the general opinion throughout the markets, however, that any moderate recurrence of demand would be followed by a quick reaction, as declines in costs of production were not commensurate with the contraction of market prices. The cotton goods trade has been particularly disturbed by a threat of a new shortening of hours and an advance in wages under the N.R.A. codes.

The industry is united in asking that the 40-hour week stand and that permission be granted for the regulation of production in accord with the expressed needs of the trade. The question of arranging a curtailment of production, under the direction of the code committee and with the approval of the

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N.R.A. administration, was held in abeyance until a decision could be arrived at in Washington. In the event that business continues slow, it is now the understanding that an organized curtailment will be sought.

Rayon Prices Unsettled

The processor tax imposed on cotton goods mills, as a part of the plans to regulate cotton acreage, has served to check production during the quiet period for the reason that the tax is collectible as fast as bales are opened at the mills. Manufacturers whose orders have been running out have been reluctant to incur a tax of 4.2c. per pound on their raw material on goods to be warehoused when finished, and this situation has led to considerable individual action in shutting down any machinery not working on firm orders. Any moderate amount of gray goods buying is expected to restore prices quickly.

Rayon markets were unsettled by the announcement of one producer of a price reduction varying from 10c. to 13c. per pound. The reduction was not followed by others save on yarns wanted for knitting. Weaving yarns remained unchanged, and acetate and nitro-cellulose yarns were not affected, as the producer in question handles viscose yarns only. A two weeks' strike closed two large

plants operated by the largest producer and will take two weeks or more to restore the output in full. A wage advance was granted of about 10 per cent, following an advance by another plant.

Silk Output Curtailed

Rayon fabrics has been unsettled in price early in the month by rumors of a pending reduction in the raw material, but when it was decided to make no change in weaving yarns the market stiffened in finished and unfinished divisions. Rayon fabrics have been feeling the competition of silk goods more than usual, because of the low price of raw silk and the close prices at which competitive silks have been offered. No decision has yet been given by the A.A.A. on the compensatory tax to be imposed on rayon as a part of the plans to aid the cotton farmer.

The silk industry has been given permission to curtail operations for one week beginning May 7. New crop offerings of raw silk in futures markets presage little upward change in prices and there has been some accumulation of silk goods in the markets, although the movement of printed styles has been better than a year ago. A substantial degree of confidence in the future of the industry has resulted from the work already done under the new silk code and the intelligent way in which leaders

are taking hold of the many trade problems arising from rayon competition, low raw silk values, and a very great over-equipment of un-economic machinery.

Wool Trade Quiet

Wool goods production has been falling off, although some mills have a substantial backlog of Fall orders on staple goods in hand. Worsted yarns have eased, but owing to the high cost of wool and mill labor it is still very difficult to produce fine men's wear worsteds that will sell in the present market. The strictly wool goods mills are busy on low-priced suitings that are having a wider vogue than for some years. While the dress goods trade has been quiet since the Spring season ended in first hands, many indications point toward a brighter Fall season beginning in the not distant future. Worsted manufacturers expect that the demand will come in for light and medium-weight goods that cannot be produced in woolen mills and they hope to make up in part in the dress field for the temporary lack of volume demand for fancy worsted suitings. A curious feature of the immediate situation is that coarse spun cottons in Summer coatings, shown in waffle and honeycomb weaves, are taking the place of the usual offerings of white flannels for coatings and sports suitings.

DAILY SPOT PRICES AT LEADING COTTON CENTERS DURING APRIL, 1934

	Mon. Apr. 2	Tues. Apr. 3	Wed. Apr. 4	Thurs. Apr. 5	Fri. Apr. 6	Sat. Apr. 7	Mon. Apr. 9	Tues. Apr. 10	Wed. Apr. 11	Thurs. Apr. 12	Fri. Apr. 13	Sat. Apr. 14	Mon. Apr. 16
New Orleans, cents.....	12.11	12.18	12.27	12.16	12.23	12.23	12.12	12.21	12.16	12.11	12.04	12.04	11.80
New York, cents.....	12.15	12.20	12.25	12.20	12.30	12.25	12.15	12.25	12.15	12.10	12.05	12.10	11.80
Savannah, cents.....	11.99	12.04	12.10	12.03	12.14	12.10	11.99	12.09	11.99	11.96	11.89	11.92	11.70
Galveston, cents.....	12.10	12.10	12.15	12.10	12.20	12.20	12.10	12.20	12.10	12.10	12.05	12.05	11.80
Memphis, cents.....	11.80	11.85	11.90	11.85	11.95	11.90	11.80	11.90	11.80	11.75	11.70	11.70	11.50
Norfolk, cents.....	12.20	12.25	12.30	12.25	12.35	12.30	12.20	12.30	12.20	12.15	12.10	12.12	11.90
Augusta, cents.....	12.09	12.14	12.20	12.13	12.24	12.21	12.09	12.19	12.09	12.06	11.99	12.02	11.79
Houston, cents.....	12.10	12.15	12.20	12.15	12.25	12.20	12.10	12.20	12.10	12.05	12.00	12.00	11.80
Little Rock, cents.....	11.74	11.79	11.85	11.78	11.89	11.85	11.73	11.84	11.74	11.71	11.65	11.67	11.43
Fort Worth, cents.....	11.75	11.80	11.85	11.80	11.90	11.85	11.75	11.85	11.75	11.70	11.65	11.65	11.45
Dallas, cents.....	11.75	11.80	11.85	11.80	11.90	11.85	11.75	11.85	11.75	11.70	11.65	11.65	11.45
	Mon. Apr. 17	Tues. Apr. 18	Wed. Apr. 19	Thurs. Apr. 20	Fri. Apr. 21	Sat. Apr. 22	Mon. Apr. 24	Tues. Apr. 25	Wed. Apr. 26	Thurs. Apr. 27	Fri. Apr. 28	Sat. Apr. 29	Mon. Apr. 30
New Orleans, cents.....	11.80	11.83	11.77	11.80	11.77	11.77	11.63	11.34	11.21	10.98	11.20	11.20	10.97
New York, cents.....	11.80	11.80	11.75	11.80	11.75	11.65	11.35	11.10	10.90	11.15	11.15	10.95	
Savannah, cents.....	11.67	11.71	11.65	11.68	11.64	11.52	11.21	11.08	11.08	11.12	11.11	10.90	
Galveston, cents.....	11.80	11.80	11.75	11.75	11.75	11.65	11.40	11.20	11.00	11.20	11.20	11.00	
Memphis, cents.....	11.50	11.50	11.45	11.45	11.45	11.35	11.05	10.95	10.75	10.95	10.95	10.75	
Norfolk, cents.....	11.90	11.90	11.85	11.85	11.85	11.72	11.42	11.23	11.02	11.22	11.22	11.00	
Augusta, cents.....	11.77	11.80	11.80	11.78	11.74	11.63	11.37	11.18	10.97	11.17	11.17	10.95	
Houston, cents.....	11.75	11.75	11.70	11.75	11.75	11.65	11.40	11.20	11.00	11.20	11.20	11.00	
Little Rock, cents.....	11.42	11.45	11.39	11.42	11.39	11.27	10.96	10.87	10.67	10.86	10.86	10.65	
Fort Worth, cents.....	11.40	11.45	11.40	11.40	11.40	11.25	10.95	10.85	10.60	10.80	10.80	10.60	
Dallas, cents.....	11.40	11.45	11.40	11.40	11.40	11.25	10.95	10.85	10.60	10.80	10.80	10.60	

BUSINESS CONDITIONS, BY DISTRICT

Atlanta During the last half of the month, retail sales held about at an even level, compared with the first two weeks of April, averaging 15 to 18 per cent better than for the same period in 1933. Wholesale trade reports continued to show demand for practically all lines, with but little change in prices.

Baltimore Although the lowering of unemployment figures and increased pay rolls reflect a further acceleration of industrial activity, retail and department store sales continue to provide the precedent for other indices.

Sales for April showed a 52 per cent increase over the corresponding month of 1933, with even greater advances in clothing lines. Wholesale houses reported a slight let-down, but volume for the month was still 20 per cent ahead of April last year.

Boston Consumer buying still is in evidence, as a sustaining factor in the improvement in the business situation. Of the major industries, shoe manufacturing continues on the most satisfactory basis, and this year there has not been the usual let-down in activity after the filling of Easter orders. The wool market is quiet, and the textile mills are fairly active. Orders for machinery are showing an increase and the automobile trade is active.

Raw wool prices have been rather irregular, and some grades have changed hands in moderate quantities at less than the regular quotations. Deliveries of wool tops against old contracts have been moderate.

Chicago Retail trade with the larger department stores was somewhat slower during April, although well above last year's dollar totals. Cool weather held back purchases of Spring ready-to-wear somewhat. House-furnishings and garden supplies continued active, while several heavily-advertised

rug sales brought an excellent customer response.

Wholesalers were heartened by an unexpectedly heavy out-of-town buying movement, and reported Midwest retailers renewing their lines for May sales. Building permits continued to run well ahead of last year, making it certain that the month would show a sharp increase over the 1933 totals.

Cincinnati Trading in practically all wholesale and retail branches of industry continues in excess of the levels that existed during the same period of last year. The principal gains have been in seasonal items. Cooler temperatures have not been conducive to a free movement of wearing apparel and outdoor requisites, but buying that has been deferred is expected to prolong the Spring trading period well into the Summer months.

Cleveland Wholesale and retail trade during April will exceed the corresponding period of last year in dollar volume by at least 35 per cent. Unseasonably cold weather retarded the movement of some lines, but general trade held up even better than anticipated. Paint business is running 50 per cent ahead of last year.

Dallas During the last week of April there was a slump in the demand for merchandise, both at wholesale and retail. Clothing was the principal line affected. The falling off seems to be the result of the dullness that usually follows the extraordinary activity before Easter, but there is some indication that the lull is at least partly due to surplus stocks among retailers. The consumer demand in the country districts is not so good as it was two weeks ago.

Denver General business conditions in the Rocky Mountain territory are making a good showing,

due largely to the more favorable weather. Retail sales rose 2 per cent above the level of the month preceding and 20 to 40 per cent above those for April, 1933. Wholesale orders were 1 to 4 per cent larger than in March, and when compared with the corresponding month of 1933, a gain of 10 to 30 per cent was noted.

Industrial operations are pushing upward with a little more vigor, and the improvement is being extended to a larger variety of lines. This is reflected in the steady additions being made to the number of employed, although the improvement in this respect is less marked than had been anticipated.

Detroit An auspicious start for the second quarter featured retail trade during April, reacting favorably to the stimulus of the national program of recovery. Industrial employment in Michigan is at the highest in four years, with wages the highest paid in that time, too. April registered over 426,000 employed, with weekly pay rolls of nearly \$10,500,000, or slightly more than 70c. an hour.

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In the automotive industry alone, 283,000 persons are employed, with total weekly pay rolls of \$7,525,000, a gain of 157 per cent over last year, reaching a four-year peak in April. Of the heavy industries like motors and steel, both are maintaining a steady upward pace, with compensation and employment at a comparatively high level.

Erie Favorable weather has stimulated retail trades, which are fully 60 per cent in excess of April, 1933. There was very little change in employment during April, but industries, with the exception of capital goods manufacturers, continue to maintain an accelerated pace. Wholesale trade has increased steadily to supply retail demand and latterly an improvement has been noted in collections.

Los Angeles Retail trade for April held up well, with the seasonal drop in volume of sales less than normal, and only a small percentage below March. Considering the backward weather conditions, together with seasonal lulls normally expected at this period, buying has been in good volume.

Wholesale trade is relatively active in most lines, being materially aided by the late March and early April consumer purchases, which depleted retail stocks. Apparel and millinery jobbers and manu-

factors continue to transact a good business.

Building has slowed down slightly, but other lines of industry are fairly active, and employment continues to gain. The situation in the petroleum products industry remains unchanged.

Minneapolis Flour sales and production continue to lag, there being no important change from earlier weeks, but practically all other industries are running ahead of the volume for this period last year. Furniture continues in fair demand, and a general increase in retail sales of about 25 per cent is being reflected in factory activity.

Retail sales of staple products continue to be better in country territory, as contrasted with the cities. Department store volume, however, compares favorably with that of March, and a feeling of mild optimism continues to prevail.

New Orleans There has been little change in general conditions in this section during April. The end of the month was attended by rains, which interfered with retail sales, to some extent, but jobbers find sales, in all lines, ahead of last season's to date. The brief after-Easter lull has passed and prospects for immediate improvement are good.

Planting of the major agricultural crops is progressing nicely. Trade reports indicate probably 98 per cent of the Southern rice growers are participating in acreage reduction and planting in Louisiana is well under way, but has been hindered in Texas by rains.

Norfolk Due primarily to unfavorable weather and the cessation of C.W.A. activities, there has been a lighter demand in many retail lines, mainly in clothing trades and the houses selling working classes. Sales of commodities, not affected by weather, continue a slight, but even, upward trend.

In manufacturing, fertilizer factories and an automobile assembling plant lead in volume production. The latter now is producing about 200 units a day on a single shift, but expects to step up production by May 1, to about 310 a day, using two shifts, which will call for approximately 2,000 employees. A number of employees have been called back by railroads.

Omaha Excepting in a few points in the State where, hail and drought eliminated the crop last year, business in the country territory has been holding up well, maintaining increases in retail

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sales of anywhere from 50 to 75 per cent over last year's.

Wholesalers located in the State outside of the larger cities report improvement in business of about 30 per cent, volume holding up well during the past month. The effect of the corn loans and C.W.A. shows some signs of wearing off, but the corn-hog loans, which are about to be approved, are expected to maintain the improved condition.

Pittsburgh Sales at retail during April averaged about 20 per cent higher than last year at this time. Wholesalers of dry goods report business in fair volume, and considerably higher than in April, 1933, with some orders being placed for Fall merchandise.

With the rate of operations of steel mills about double that of a year ago, industrial operations in this district are estimated to be averaging about 50 per cent more than for the same period of 1933. Plate glass output for the first quarter of 1934 was approximately 50 per cent higher than for the same quarter of 1933, with the March, 1934, output more than double that of March, 1933. With output of electrical equipment estimated at about 50 per cent higher than a year ago, prospects for the second quarter are looked upon as fairly good. Miscellaneous lines are also reported showing fairly good increases in comparison with the similar period of a year ago.

Portland, Ore. Retail trade is somewhat below earlier expectations, but remains consistently above the level of a year ago. Particular lines, such as household appliances and furniture, have made unexpected volume increases. Well-advertised sales have produced good results.

Lumber production is running ahead of bookings, with the result that mill inventories are about 10 per cent heavier than a year ago. Specifications on orders have caused an accumulation of yard stock materials.

Providence Business activity in the State continues to hold the gains recorded since the first of the year, and shows a decided improvement, compared with the corresponding period in 1933. Retail purchases in practically all lines of merchandise were larger in April than in the corresponding month last year.

Richmond Jobbing continues active, buyers apparently extending their purchases beyond immediate needs. This is indicative of confidence that no early setback is to be expected. While gains have been general, the outstanding lines were groceries, dry goods, shoes, hardware and drugs.

The paper industry is operating on a more satisfactory basis than in a long time. The pick-up in building operations is reflected in the increased demand for lumber.

St. Louis Retail and wholesale sales continue favorable with only a slight decline in volume comparative with last month and 18 to 25 per ahead of April, 1933. General confidence in the future is strengthened by increased activities in all major manufacturing lines, with some improvement in the unemployed situation.

Life insurance sales continue well above last year's figures. Light and power supplied is well ahead of figures of consumed power of last year. Electrical supplies and fixtures show a gain. Iron and steel foundries continue more active. Textiles generally are good, and so are shoes, but slightly under average sales for the first three months of 1934, although ahead of the same period of 1933.

San Francisco Reports from the downtown store trade during the month were favorable, particularly with the larger stores. Staple goods are in steady demand and sales are holding at favorable levels. Among the wholesalers, conditions were more spotted and while practically all are doing better than a year ago, some are

not doing so well as earlier in the current year.

All canned fruit lines in California, with the exception of cherries, are well held. Cherries are doing a little better, but have been weak for some time. Pears are getting scarce and are firmly held, while peaches and plums have been steady at recent values.

Seattle Retail trade here is holding up well, and business generally is ahead of a year ago. Apparel lines, outing goods, and home furnishings are said to be leading in sales volume, and prices holding up well and tending upward.

The credit situation is reported easier, and both requests and granting of credit are reported more numerous. While open and installment accounts are being pushed, a more liberal attitude is being taken toward extensions of credit. Employment increases and a feeling of optimism are responsible for an easing of the situation.

Syracuse Retail sales during April maintained the volume of the previous month, with only a few lines reporting a slight increase. Industrial pay rolls and production continue to gain, although due to discontinuing the C.W.A. projects, relief rolls show a peak load. Steel, chemical and washing machines continue to lead in activity. The telephone company reports an increase in stations.

Toledo Department store sales, as a whole, for April showed an average increase of 5 per cent over those of March, and a gain of 20 to 40 per cent over the total of April, 1933. Wholesale orders for dry goods have increased steadily from week to week this year, with the total now well in excess of the 1933 figures. Future bookings are far in excess of those recorded at this time a year ago. The output of automotive parts is picking up again, following the settlement of labor difficulties.

